## THE STATE DEPARTMENT, USIA, AND RELATED AGENCIES AUTHORIZATION ACT FOR FISCAL YEARS 1994-95

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The State Department, USIA, and Rel...

## HEARINGS AND MARKUP

BEFORE THE

### COMMITTEE ON FOREIGN AFFAIRS

AND ITS

SUBCOMMITTEE ON INTERNATIONAL OPERATIONS
OF THE

### HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRD CONGRESS

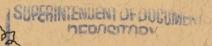
FIRST SESSION

ON

H.R. 2333

FEBRUARY 23, MARCH 10, 17, 23, 24, APRIL 1, 20, MAY 26 AND JUNE 8, 1993

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# THE STATE DEPARTMENT, USIA, AND RELATED AGENCIES AUTHORIZATION ACT FOR FISCAL YEARS 1994–95

#### TUESDAY, FEBRUARY 23, 1993

House of Representatives, Committee on Foreign Affairs, Subcommittee on International Operations, Washington, DC.

The subcommittee met, pursuant to notice, at 2:10 p.m., in room 2200, Rayburn House Office Building, Hon. Howard L. Berman (chairman of the subcommittee) presiding.

Mr. BERMAN. I will declare this hearing open.

I am pleased to welcome everyone out there to this meeting of the Subcommittee on International Operations. My ranking member, Olympia Snowe, unfortunately—fortunately for her, unfortunately for us—was called to a meeting with the First Lady, so she took that over this. If I had been invited, I would have, too. But we will include a copy of her opening statement in the record.

[The prepared statement of Ms. Snowe appears in the appendix.] Mr. BERMAN. This hearing begins the subcommittee's formal process of work on the Foreign Relations Authorization Act for fiscal years 1994 and 1995. As a subcommittee, we face serious issues in the actual conduct of U.S. foreign policy in the 1990's and beyond. Critical questions of organization and management among the so-called foreign affairs agencies need to be resolved and their resolution will have a fundamental effect on our ability as a nation to promote and defend the interests of our citizens in a rapidly changing world.

This first hearing will focus on State Department organizational issues, although witnesses will address interagency relationships. In a recent memorandum to all department employees, Secretary of State Christopher stated his desire that the Department "be able to deal more effectively with he new issues of critical importance to our Nation's foreign policy," democratization, proliferation of weapons of mass destruction, peacekeeping, the environment, the

population explosion, crime, terrorism and export promotion.

The fall of communism, the end of the cold war and bipolarism and the explosion of ethnic and nationalist conflicts all call for new

ways of thinking and new methods of formulating policy.

The department has had a long history of organizational problems, some of which Secretary Christopher has indicated he will propose to remedy through legislative measures to be included in the Foreign Relations Authorization Act. The organizational history of the U.S. Federal Foreign Affairs establishment since World War II has been one of decentralization. At issue is whether the U.S. Government will conduct domestic and international affairs separately or as an integrated whole subject

to political leadership.

Decentralization, principally in the form of "domestic" agencies establishing "international" offices, has been symptomatic of integration. Also important are questions of whether the executive branch, and particularly State, should be organized to treat issues functionally or geographically. Functional issue definitions, for example global migration, are outgrowths of an integrated approach to government.

Internally, State's organizational history has been one of resistance to functionalism and therefore to integration. This, according to many experts, has impeded the Department's ability to deal with major global policy issues such as environment, terrorism, narcotics and human rights. The result has been a chronic presidential, con-

gressional and even public distrust of the State Department.

It is imperative that the Department take immediate and dramatic steps to organize and staff itself to deal with the vital global issues of the 21st century. I hope that this hearing and those which will follow will contribute to our understanding of ways in which this can be achieved.

At this time, I would like to invite our panelists to join us and come on up. It would be particularly good if you could find the seat

that your name card is in front of.

Welcome to all of you.

Our first witness will be William A. Nitze, who is president of

the Alliance to Save Energy.

Mr. Nitze, we have your prepared statement and if you would be willing to summarize and speak to the key points of it, the entire testimony will be included in the record.

## STATEMENT OF WILLIAM A. NITZE, PRESIDENT, ALLIANCE TO SAVE ENERGY

Mr. NITZE. Thank you, Mr. Chairman. It is a great pleasure to testify before this subcommittee, both on behalf of the Alliance to Save Energy and as someone who has worked on a number of these

issues in the State Department itself.

The underlying problem, as I see it, in organizing the Department of State to deal with global issues is that these issues historically have not been given priority in the Department. We have devoted most of the resources in our foreign policy establishment to fighting and winning the cold war and now that we have at least in a sense won it, it is time to take a hard look at how those resources should be reallocated to address the sustainable development agenda of the future.

Even though I do not mention it in my testimony, there is a recent book by Paul Kennedy, the famous Yale history professor, which paints a picture of the world in the 21st century and it is a world with too many people, too little top soil, too few trees and too much conflict. And if we are to do something about producing a world that is somewhat better than the world that Professor Kennedy and many others hypothesize, it is going to take a sustained

effort on the part of the U.S. Government, and particularly the De-

partment of State.

Now, in my testimony, I make four recommendations related to the role of the State Department and the Agency for International Development, which is closely associated with it, of course. And the first is that the preparation and implementation of an integrated national strategy for promoting sustainable development around the world be elevated to the top of the foreign policy agenda.

Now, on that first point, the Clinton administration has already taken a very important step. They have nominated Senator Timothy Wirth, who for the last several years has actually been my boss as chairman of the alliance, to fill a new position which as yet has not been formally create of Under Secretary for Global Affairs. And assuming that position is created and that he is confirmed to fill it, there will be four bureaus within the Department, Oceans, Environment and Science, the old OES bureau; Population, Refugees and Migration; Democracy, Human Rights and Labor; and Narcotics, Terrorism and Crime, that will report to him.

And this new cluster, if you will, will create a new critical mass in terms of addressing these interrelated issues within the Depart-

ment.

However, I point out in my testimony that the cluster is incomplete and that there are at least two other functions carried out in other bureaus that should be merged in with it.

The first of those are those parts of the economic bureau dealing with energy, forestry and possibly other economic issues abroad that are directly relevant to the sustainable development agenda.

In the past, the Department of the Treasury, the Department of Energy and other departments have in a sense used the economic bureau as an outpost in the Department of State to make sure that their own departmental priorities are reflected in our foreign policy

agenda.

That may or may not have been appropriate in the past but it seems to me it is clearly not appropriate now when it is critical that we bring all of our foreign policy agendas related to sustainable development into some sort of conformity behind a common strategy, because we are really running out of time to make reasonable use of the limited national and international resources available.

And, for example, if we really are interested in promoting energy efficiency and cleaner energy technologies abroad, the Department of State should be involved, in fact, should be leading that effort. And that has not been true in the past and it seems to me important that the Department of State's involvement in energy issues

be brought into the new cluster.

The same is true of forestry. The international tropical timber organization has not been as effective as one might have hoped in promoting sustainable forestry around the world. Both the producing and the consuming countries have not been able to make the kind of progress that one would like to see. One saw, really, the practical breakdown of forestry negotiations in Rio with countries like Malaysia and Indonesia demanding that they be allowed to retain full national sovereignty over their forests.

There is no easy answer to this problem but the new cluster should deal with it and should have within it a capability for pur-

suing these issues seriously.

The second addition that I would make to the new cluster from within the Department is control over that portion of the foreign relations budget that deals with U.S. contributions to international organizations addressing sustainable development issues. Those would include the United Nations Development Program, the United Nations Environment Program and, of course, perhaps most importantly, the United Nations Fund for Population Activities.

The Clinton administration has announced that it will take a very different and more activist approach to reducing population growth rates around the world. I would suspect that the Mexico City Policy is already a dead letter. But it is very, very important that we work closely with the United Nations Fund for Population Activities and other multilateral efforts in promoting population policies throughout the developing world. And, once again, it seems to me the Under Secretary should have jurisdiction over that activ-

Now, the second basic recommendation I make is that within the Department there be a reallocation of resources to global issues. And perhaps the most important place for that to happen is in our foreign posts around the world where the United States, as the world's major economic and political power, has far fewer counsellors dedicated to environmental, science and technology issues

than most of our major trading partners.

And those of you who deal, for example, with the French or the Swedish Embassy here in Washington see the tremendous effort that those governments pour into learning about what is happening in science and technology and the environment in the United States and picking up good ideas from our private sector and then taking those ideas back to their home countries and using them to competitive advantage.

We just do not do that to the same degree and we had better start now. This is not just a question of helping to protect the environment or building a better world, it is a question of rebuilding U.S. competitiveness in some of the most rapidly growing markets

for the 21st century.

I point out that there are only roughly 40 people posted in these assignments. They only cover 23 countries. They are very important countries such as Saudi Arabia, Nigeria, Malaysia, the Ukraine and a number of others which have no S&T counsellors whatsoever.

Secondly, the old and new bureaus under the new Under Secretary's jurisdiction need to be fully staffed. I am sure that Secretary Christopher is considering the resource issues involved, but he must not slight these new bureaus. They require full staffing, particularly the new population bureau, and there is no question that some resources are going to have to be shifted from elsewhere in the Department to do this.

I happen to believe that all of these global issues, the population issue in particular, are of such paramount importance that it has to be given real priority in the allocation of departmental resources.

Thirdly, a great deal can be done simply through the Secretary's and his senior officers' policies with respect to assignments and promotions within the Department. Historically, people in the Department working on these issues have not received the same kind of fast track preference as the brightest people working on political issues, particularly those, for example, in the European and East Asian bureaus. That should be changed. And it is not a difficult thing to change.

You could send a powerful signal simply by promoting a few of the most talented S&T officers to deputy chief of mission positions

in important embassies around the world.

Now, the third and perhaps central item in my list of recommendations is to create a mechanism under the overall jurisdiction of the Department of State for financing sustainable development projects. And what I propose, briefly, is that part of the general funds of AID, those not devoted, for example, to bilateral assistance to Israel or to Egypt or to Pakistan, be placed in a fund which would be administered by an interagency management committee which would be chaired by the Under Secretary of State for Global Affairs. And this committee would make decisions on funding specific projects on a competitive basis.

These projects would have to be in effect sponsored by an agency of the Federal Government, but one of the criteria for judging them would be the extent to which that agency had obtained financing and other support from the private sector and from either foreign

governments or international organizations.

So the charter of the fund, which of course would be established by the Congress, would place a premium on leverage of Federal dol-

lars.

Since we are approaching the end of my time allowed, let me just briefly refer to the fourth recommendation, which is to reinforce the lead role of the State Department in multilateral negotiations. Every agency in government seems to have a need to represent its interests in various for ain which we are negotiating abroad. It seems to me this need could be substantially reduced if we really had a strong, integrated interagency process at the White House and if the State Department were given from the start the kind of detailed, consistent terms of reference that we need to conduct these negotiations. The State Department could then revert to its traditional and appropriate role of representing the United States abroad on these critical issues.

Thank you.

[The prepared statement of Mr. Nitze appears at the conclusion

of the hearing.]

Mr. BERMAN. As you can indicate, we have a vote on, but—well, you know something? I think maybe what I will do right now, since Mr. Nitze is finished with his testimony, I will run over there, vote and come right back and be back in 5 minutes.

[Recess.]

Mr. BERMAN. All right. So it was 10 minutes, not 5 minutes, but

the good news is that that was the last vote of the day.

Our next witness is a gentleman who is familiar to the members of the Foreign Affairs Committee. He is the Deputy Director of the Arms Control Association, Jack Mendelsohn.

Mr. Mendelsohn, welcome.

## STATEMENT OF JACK MENDELSOHN, DEPUTY DIRECTOR, ARMS CONTROL ASSOCIATION

Mr. MENDELSOHN. Thank you very much, Mr. Chairman. I appreciate the opportunity to speak before the committee on the question of the Arms Control and Disarmament Agency and what we should do about it in the future.

I would make three or four very simple, straightforward points

about arms control.

First of all, I think the arms control agenda, contrary to what many people have been saying, remains a very broad, a very full, a very challenging agenda. By no means has the collapse of the former Soviet Union meant that our basic problems and the issues in this area are now safely on their way to being wrapped up. We have a handful of promissory notes, if you will, which will take years to collect on. We have terms running from 10 to 17 years for watching the implementation of agreements that have not actually even entered into force.

So I think there is a very, very large set of problems in the arms control area that remains. And it is by no means an agenda limited simply to proliferation. I think it is much more complex than that and we only have to mention the question of denuclearization of the non-Russian republics to remind people we still have a great

deal of work to be done in the area.

I think that is the background against which I would like to make the arguments that follow as to the future and the utility of

an agency like the Arms Control and Disarmament Agency.

Besides the fact that there is a large agenda out there and basically one that is unrolling and/or incomplete, I think there are two very strong arguments that point toward the utility of an independ-

ent arms control agency within the U.S. Government.

First of all, I think it is important for informed decisionmaking for the executive branch to have a strong, clear arms control advocate within its councils. In many cases and at many junctures over the past 20 or 30 years, the interests of the other major bureaucratic players have diverged from the path or the policies that one

might pursue in the arms control arena.

The State Department has not always been a nonproliferation advocate. As a matter of fact, it did not support avidly the nonproliferation treaty at the time in order to protect some of our allies who thought they might want to pursue a nuclear option. The State Department was actually the generator of the reinterpretation or the broad interpretation of the ABM treaty, which racked the administration and the Congress as well during the decade of the' 80's. It was ACDA in both cases, the NPT and the ABM reinterpretation and in others, it was ACDA whose voice stood out within the executive branch in favor of the NPT in one case and in support of the traditional interpretation.

Mr. BERMAN. ACDA in that fight 3 or 4 years ago on the reinter-

pretation was vocal in its opposition to the reinterpretation?

Mr. MENDELSOHN. It was not. Within the councils of the USG, the only paper that was presented arguing that the reinterpretation was invalid came from the ACDA General Counsel's Office.

If by the question "vocal" did they go public, no.

Mr. BERMAN. Did anybody resign?

Mr. MENDELSOHN. Let us just say there was some hounding, but

I am not sure there were any resignations.

Secondly, I think an independent ACDA can be a very useful bureaucratic tool in terms of broadening the set of options for decisions that are available to the White House and the NSC. ACDA allowed the spectrum to broaden and, in effect, placed State more toward the center of the selection of choices rather than toward one of the extremes.

Now, ACDA has not always played that role but in an ideal situation it could broaden the spectrum of choices available on a par-

ticular issue.

Having said that about the utility of the agency, I think we have to recognize that the power of ACDA is basically a derivative one, one that is assigned or given to it. It is not inherently a powerful agency. It has a small budget, it has no particularly popular domestic programs and it does not have a large active domestic constituency. I think if you asked people are they in favor of fewer weapons rather than more normally they say, yes, they are in favor of it. If you ask them do you support the Arms Control and Disarmament Agency, I think most people do not know it exists. That is what I mean by the organized domestic constituency.

A.C.D.A. will be a powerful player bureaucratically only if the administration wishes it to be a powerful player and it will indicate that it so wishes by selecting directors who are people of stature, serious figures in the field, who bring something to the position. And when the voice of the agency is perceived as one to which the

administration will listen.

I, in my statement, simply used the catch-word "access" meaning somebody is willing to listen to the ACDA voice when it is offered. If the administration, the executive branch, chooses not to empower the agency, the agency's role clearly is muted, handicapped within the policy councils.

What should be done about the Arms Control and Disarmament

Agency'

As you can gather from my presentation, I think that there are intrinsic arguments—the size of the agenda, the utility of a clear voice, the broadening of the spectrum of choices—for retaining an

agency like the Arms Control and Disarmament Agency.

I think marginalizing it or disestablishing the agency would make decisionmaking on this issue more difficult within the executive branch. We already have an example of this following legislation that was passed last September calling for negotiations for a comprehensive test ban (CTB). Discussions are going on within the executive branch now on how to respond to some of the requirements of the legislation which include undertaking negotiations for a CTB.

It is very hard within the executive branch to find outspoken supporters for a comprehensive test ban. The Defense Department, for understandable reasons, does not favor it. The Department of Energy, for understandable reasons, does not favor it. The State Department is generally inclined toward it but I do not sense that there is any beating on the walls to break down opposition that

may exist within the executive branch. The only agency which is clearly committed to a CTB is, and would be, an agency like the

Arms Control and Disarmament Agency.

If we are going to move along the lines that the legislation asks for, I think it is very useful to have an agency which will present the arguments in favor of a CTB. Also, I should have perhaps mentioned this earlier, it is useful to have an agency with the technical expertise available to counter the kinds of arguments which you will undoubtedly get from the energy laboratories and from the Department of Defense as to why it is you cannot possibly stop testing nuclear weapons because the entire arsenal will fall to pieces in 7 or maybe 8 months for reasons that were totally unknown before that meeting had been called.

It is useful to have people who are in favor of the test ban negotiations who can discuss the topic on the same technical level as

those who might be opposed.

I was asked to address the question of what do we do if, despite what I think are reasonably strong arguments for retaining the agency, a decision is made to disestablish it. I think in that case, if the executive branch—

Mr. BERMAN. You mean sort of if we reject your advice what is

your advice?

Mr. MENDELSOHN. That is right. Well put.

My advice would be, a fairly obvious solution, to pass the basic portfolio over to the State Department. And that is exactly what the State Department itself recommended, as you undoubtedly know, in a recent management survey which it produced at the end of the Bush administration.

I think the important thing is if any of what I have said earlier has any objective validity, I think obviously you would like to have arms control retain as senior a voice as possible within the bureaucratic structure. My only recommendation in that case would be

that it assigned to an under secretary level or above.

If it is reasonable to put it directly into the Secretary's office, which I do not think is likely, that would be even better. But the obvious bureaucratic answer is to give it an under secretary, a senior policymaking individual within the Department below the Secretary. And that under secretary should in effect be devoted to the issues of arms control and not be given a portfolio, which is what the State Department currently recommends, which is involved not only in arms control but also in defense sales and security assistance and political-military affairs.

These are, if you will, not only substantively competing topics, they are also intensely time consuming topics. So I would argue what needs to be done is that arms control should have a voice at

the very highest level.

I think also that there are a number of particular capabilities within the agency, for example, the legal drafting office, some of the long-term planning capabilities and some of the technical expertise, that ought to be not only transferred but in some way established within the State Department so that they are preserved if not fostered.

I alluded earlier to the question of technical expertise. The State Department has never been a particularly congenial environment to people who are narrowly specialized. The culture within the State Department—and this is not meant as a critical observation, it is simply, I think, a more or less objective one—the culture within the State Department favors people who are generalists, who are utility infielders, if you will, who can do a lot of things and do them reasonably well but not necessarily people who are highly technical and specialized.

In conclusion, I think it would be a mistake for the executive branch to seek to disestablish or continue to disuse ACDA. I think with a respected and experienced director and with the confidence of the White House, ACDA can play an important role in policy for-

mulation.

If the decision is taken to abolish the agency, arms control should be given its own voice at the highest possible level within the State Department, probably the Under Secretary level. The process will be poorer without an independent agency dedicated to fostering arms control, but the nation and the executive branch will surely survive.

Thank you very much.

[The prepared statement of Mr. Mendelsohn appears at the conclusion of the hearing.]

Mr. BERMAN. Thank you very much, Mr. Mendelsohn.

I might say, just to interject at this point, now that I have colleagues to talk to, that this hearing is one of several on organizational issues involving foreign policy and different aspects of it in the State Department, as well as down the road the radios and the whole foreign affairs function as such.

Secretary Christopher has proposed a level of reorganization, some of which will require legislative action which we will consider in the context of marking up the Foreign Relations Authorization Act. Other issues are being talked about but have not been ad-

dressed.

We have heard two witnesses so far. Mr. Nitze focused primarily on international environmental issues and sustainable development and organizational structures, and has made some very specific recommendations. Some issues have been addressed in the Secretary's reorganization plan in this area. This is where they are creating the new under secretary slot to which Senator Wirth has been named. He cannot be confirmed in that position because that position does not exist. He has been named Counselor pending action on that.

An area that has not been directly addressed yet by the administration but is bubbling around is the whole question of ACDA and what its existence should be—should it be separate, should it be merged, how so, and that is what Mr. Mendelsohn has spoken to.

Our next witness is Professor Mac Destler, who is Professor and Director for the Center for International and Security Studies at the School of Public Affairs in the University of Maryland. He has written a great deal on organizational subjects, and we are very pleased to have you with us and look forward to hearing a summary of your testimony and the questions which will be propounded later.

Professor Destler.

STATEMENT OF I.M. "MAC" DESTLER, PROFESSOR AND DIRECTOR, CENTER FOR INTERNATIONAL AND SECURITY STUDIES, SCHOOL OF PUBLIC AFFAIRS, UNIVERSITY OF MARYLAND

Mr. DESTLER. Thank you, Mr. Chairman, distinguished members

of the committee.

I appreciate the opportunity to testify before you today. You have asked me to talk about how the Department of State might be brought to broaden its policy focus beyond emphasis on U.S. bilateral geographic relationships to a greater degree than it does at present. This is a good and tough issue and I come, alas, with no easy answer to it, but I have some suggestions and hope I can be helpful in sorting out the questions.

First and very briefly, the basics.

The reason the State Department stresses country relationships is that not only is it organized to do that primarily but that much of the world's business is conducted that way and many other countries expect to deal with it that way. State's primary responsibility, the one for which it has the clear interagency lead, is for the overall management of these relationships and departments do tend to emphasize those roles in which they have clearest responsibility and in which they have the greatest power.

This role, up to a point, has real benefits. Many issues are well handled within geographic frameworks. And, also, if we want progress on cross-cutting issues, in the end, we have to influence governments to do something about them and presumably expertise in relationships with these foreign governments are critical to dealing with environment and arms control and whatever else.

Still, overemphasis on these issues has at least three costs.

First of all, country experts can become advocates, overemphasizing the importance of relations with the governments on which they deal. As a consequence of this country advocacy, U.S. interests cutting across geographic regions, nuclear proliferation, environmental degradation, export expansion, human rights, counternarcotics and terrorism, all of these may not be given sufficient weight and often are not given sufficient weight in State Department deliberations and, as a consequence of this departmental neglect, other agencies who often have the lead responsibility for these issues may cut the State Department out of them or at least seek to minimize the State Department's role in these cross-cutting issues, thereby depriving them of the geographic information they may need.

How, then, can the State Department's focus be broadened?

In general, it seems to me there are only two ways. One of them is through the personal engagement of the Secretary. If the Secretary himself takes the lead on a cross-cutting issue, and sometimes secretaries do on arms control, not too often on other crosscutting questions, then members of the Department will be eager and ready to follow to the degree that the Secretary works with them. The problem, of course, is that secretaries are deep into only a few issues and these tend to be crisis driven and tend to be country or regional issues. Witness the presence of the Secretary of State today in the Middle East.

The second way, of course, that the State Department's focus can be broadened is through the work of its functional bureaus: political, military, economics and business, human rights, et cetera. Their problem, the problem of these bureaus, though, is they typically do not have the primary responsibility within the government for their issues. Somebody else leads, usually outside the State Department, USTR on trade, Treasury on Finance, the Pentagon on troop deployments, et cetera. So that leads us to the question of how the functional bureaus might be strengthened.

Well, in terms of their influence within the State Department, they can, of course, be strengthened through personnel policy. I would certainly reinforce the suggestion of Mr. Nitze that more promotions and more high level assignments be given to foreign service officers with cross-cutting expertise. This is certainly a message that comes through very clearly to State Department officials.

Better yet, we could move toward a more flexible system of government-wide assignment of personnel so that individuals could move around departments, get different perspectives, see the world

from these perspectives.

Mr. BERMAN. Between departments or-

Mr. DESTLER. Between departments. I really think between departments, to Treasury, to Environmental Protection Agency, to the Pentagon, the NSC, the new National Economic Counsel. So that they really get experience in looking at issues from different van-

tage points.

Another thing you can do to strengthen the functional units is through organizational consolidation, particularly by reducing or eliminating advisory offices that may have once had a good purpose and may have once reported actually to the Secretary but now report in theory to the Secretary and in practice to no one. And I think here the reforms announced by Deputy Secretary Wharton look like a useful and good step if they are carried through.

Perhaps most important, one can upgrade the level and authority of the senior officials with cross-cutting assignments. And here the State Department has been gradually step by step over the decades been doing this. Once there was only one, if any, functional under secretary, now we have under secretaries for economics and international security and global affairs, all with line authority over

functional bureaus.

But if this gives the functional bureaus somewhat more strength it does not solve the problem of getting them more effectively in to the geographic business or integrating the two. Indeed, if taken literally, the new organization of State simply elevates the problem of integrating them because everybody has an under secretary with whom to report. The geographic bureaus report to the Under Secretary for Political Affairs, the others report to the Under Secretaries for functional issues. And so they all have a line of appeal.

How do we address this question?

First of all, we have to realize that any resolution would be imperfect. There are real world tensions between geographic agendas and functional agendas and both of them matter. The State Department has a built-in organizational tilt toward the geographic which I am afraid is likely to persist to some degree, given the fact that

it is primarily responsible for that and given the culture of the for-

eign service.

This means there is a risk that State's role in the functional issues will continue to diminish. In a world where economics and environment have become central, where the domestic international policy boundary is fading, State may not replicate or duplicate overall U.S. engagement in the world as much as it once did.

Secondly, we have to realize that the handling of hot issues will drive much of the process. If top level attention is given to a crosscutting issue, that will galvanize people within the State Department as well as well as in other departments. What the President emphasizes, who he and the Secretary rely upon and to some degree what key committees of Congress stress, all of these will exert an important and perhaps more than transitory pull. Hence the importance of hearings like this one and followup to convince State leadership of members' seriousness in trying to change the organizational balance within the Department.

Third, while giving line authority to the Under Secretaries, as is being done in the current plan, is useful, it is no panacea, because the hard issues are going to involve the responsibilities of more

than one Under Secretary.

They are likely to involve a difficult cross-cutting functional issue and an important, say, geographic area of the world. It is desirable to give one senior official the lead on these matters but simple assertion of hierarchial authority is not likely to resolve the tough problem. And sometimes the fight will be hot enough and the issue will be important enough so there will need to be a formal process within the Department of State with lots of issues papers and options and people arguing it before the Secretary himself and the Secretary making a decision.

But such processes are time-consuming and difficult to manage and, if you have too many of them, the paper piles up on the Sec-

retary's desk and he does not have time to get to them.

So the best approach on day-to-day issues really is to have good collegial relationships at the Under Secretary and Assistant Secretary level within the Department and below that. This will reduce the need for such officials to defend their turf. They will still defend it to some degree but they will be able to be more moderate and flexible on it. And it will allow more day-to-day leadership by assistant secretaries, functional as well as geographic, and more decisionmaking by Under Secretaries.

Such informal coordination, of course, works far better if there is agreement on who the relevant officials are in the Department for a particular issue and if these officials are limited in number. Hence, there is a need to clear away accumulated bureaucratic growth, not just above the bureaus like the seventh floor special offices that are not really advising the Secretary but also within the

bureaus.

For example, should the geographic bureaus have large functional offices within them? The European bureau, of course, needs to have people within it who are working on regional economic issues and regional security issues. But does it really continue to need to have large economic and security offices within that bureau

which inevitably compete with their counterparts in the functional bureaus of economic and political military affairs?

I think as part of the reallocation of staff within the Department, my colleague here today Mr. Nitze suggested a hard look could be

taken at specialized offices within these regional bureaus.

Finally, we have to remember that while we are talking this afternoon particularly about the Department of State, important issues, particularly cross-cutting issues, are almost always interagency issues whether they are under the umbrella of the National Security Counsel system or within the orbit of the new National Economic Counsel that President Clinton has set up.

And, as I emphasized earlier, these cross-cutting issues are typical issues where the State Department officials themselves do not have the lead responsibility or the primary statutory authority to

deal with the question.

State officials will never be more than marginally involved in these issues unless they are sensitive to the legitimate concerns represented by other agencies and responsive to the White house. They must bring White House staff coordinators and counterparts across town to see State involvement as part of the solution, not part of the problem.

Thank you.

[The prepared statement of Mr. Destler appears at the conclusion of the hearing.]

Mr. BERMAN. Thank you very much. Very interesting.

Our last witness, and then we will have questions, Professor Maurice Alden East, Dean of the Elliott School of International Affairs, George Washington University.

Professor East, it is good to have you with us.

#### STATEMENT OF MAURICE ALDEN (MICKEY) EAST, DEAN, EL-LIOTT SCHOOL OF INTERNATIONAL AFFAIRS, THE GEORGE WASHINGTON UNIVERSITY

Mr. East. Thank you, Mr. Chairman.

I am pleased to be able to address the committee today and will take the position that the foreign policymaking problems we are facing in the United States today are ones that have in fact been faced by many countries around the world previously and that we can certainly learn from some of the ways that they have dealt with these issues. Far be it for me to suggest that perhaps this is good reason for this subcommittee to travel abroad to see how some of these problems have been dealt with elsewhere.

But more seriously, it does seem that we can learn from others when adapting U.S. foreign policymaking to this increasingly interdependent post-cold war world. It is useful to examine more carefully and systematically the experiences of other nations because they have had to grapple earlier on with very similar problems.

Because of the size and the unique role of the United States as one of the only two super powers during the cold war and now as the sole remaining super power in the post-cold war world, the United States has been able to ignore with relative impunity some of the pressures and forces for change emanating from this complex interdependent world.

Other countries have not have this luxury. They had to face long ago the need, for example, to deal effectively with a global economic agenda as a central issue of foreign policy, to integrate more expertise and specialization into what were primarily closed, elitist and generalist foreign services, and to allocate increasingly scarce financial and human resources across a larger number of organizations and agencies engaged in the nation's foreign policy.

In doing my research in a number of different parts of the world, including Africa and Europe, particularly northern Europe, one of the most important things we are seeing is a growing and very real concern on the part of policymakers, scholars, and legislators for what is now being referred to as a *national* policy perspective on foreign affairs. You yourself, Mr. Chairman, mentioned this in your

opening remarks.

All too many studies of foreign policymaking, my own included, have focused too narrowly on the sub-national level and most frequently on the foreign ministry or State Department alone. The question has often been how is the foreign ministry doing? How is

the State Department doing?

Today, more and more, we see national level policymakers and legislators expressing an unhappiness with the output of the foreign policymaking system as national policy. There is a strong desire in many countries all over the world to adjust their foreign policymaking systems in order to achieve a more coordinated, more coherent national foreign policy.

People today are less interested in the various sub-national units and more interested in the outcomes of that system. And this is the context in which we need to look at the foreign policymaking system, a larger and more encompassing view of foreign policymaking. And I do understand that you will be focusing more on that in fu-

ture hearings.

At the same time, however, the role of foreign ministries has been changing in this complex post-cold war world. When trying to describe that changing role, there is much similarity to describing the role of the United States in the world today. In most countries, there is little doubt that the foreign ministry is still the dominant government agency in foreign policymaking. But it is not nearly as dominant as it once was. Power in foreign policymaking has become more diffuse, just as power in international affairs has become more diffuse.

In a large number of countries, the total amount of resources that central governments dedicate to the conduct of foreign affairs and activities abroad in all agencies has grown. In some cases, the growth has been quite significant. At the same time, the relative proportion of those funds that are controlled by foreign ministries

is often diminishing.

With regard to the United States, these are some of the relevant

questions:

Is the United States spending an appropriate amount to project U.S. policies and interests abroad and is the amount spent being allocated appropriately within that foreign policymaking system?

Is the share that the State Department is getting too small, too

large or about right?

Could it be the case that the total amount of money that the United States is allocating is about right, that the amount for the State Department is about right also, even though this amount might be decreasing relevant to other foreign policymaking agencies?

Coordinating foreign policy is a central issue in all countries that I have studied. The very large size of the U.S. foreign policymaking system and the State Department have created some unique problems when attempting to improve coherence and coordination.

At the same time, this larger size permits solutions to the coordination problem that are unavailable to smaller systems. For example, in a larger foreign ministry, it is possible to attempt to improve coordination by having in-house specialists on many issues. This is virtually impossible in many of the smaller countries, where it is difficult for small foreign ministries without sufficient expertise to work effectively with specialized ministries and agencies to formulate policy. Several of my colleagues at the table here have already mentioned this problem.

My impression is that there are many more instances where the components in the U.S. foreign policymaking system, for example the State Department, have overlapping capacity to deal with technical areas than is the case in most other countries—more agricultural expertise, more energy expertise, distributed throughout the

foreign policy system.

But this raises two questions:

How much does this overlapping expertise contribute to more coordinated national foreign policy?

Is the cost of this duplication within the government itself worth-

while?

Research has shown that in some countries, the existence of this overlapping expertise has made it *less likely* that the various ministries interact and exchange information on issues because the specialized ministries feel that they have in-house sufficient expertise and do not need to rely on or work as closely with the foreign ministry.

To the extent this is true, the added expense of maintaining this duplicate expertise within the government certainly needs to be ex-

amined

Another aspect of today's complex interdependence is that there are many more players in the foreign policymaking game, leading to the diffusion and fragmentation of the system. Two aspects of this need to be examined. One is the domestication of foreign policy and the other is the internationalization of domestic politics. Both

have had serious impact on the role of foreign ministries.

With regard to the domestication of foreign policy, the increasing impact of foreign policy on domestic affairs means that many if not most of the activities of foreign ministries can no longer be ignored by domestic ministries. Labor ministries, energy ministries, agriculture ministries must all be attentive to and involved in foreign policymaking in order to carry out their duly mandated policy functions.

This is the case much more so today than 20 or even 10 years ago and this counts in large part for the increase in the number

of new players in the game.

The internationalization of domestic politics means that almost every agency in the government, as you have pointed out yourself, Mr. Chairman, has an international division. Growing numbers of persons in these domestic ministries feel quite competent to operate internationally in their specialized areas. The question of how and when these domestic ministries need the assistance of a foreign ministry or need to keep them informed is the crux of many of the most serious coordination issues in foreign policymaking.

There are several models of foreign policy coordination. One is the dominant sector model, where a particular ministry or governmental agency is given the responsibility and authority for coordi-

nation in a particular issue area.

The model that is used most frequently here in the United States is the interdepartmental model, whereby members representing different departments and agencies meet to formulate coordinated

policy.

A third model, which is receiving increased attention in many countries around the world, is coordination from the top, meaning at the level of the heads of state. This is a natural consequence of the dissatisfaction of national political leaders with the fragmentation and lack of coordination in foreign policymaking mentioned at the outset. The head of state takes direct steps to try to fix the situation, and this has led to a growth in the foreign policy and international affairs capabilities found in executive offices around the world.

It should be noted that increasing the capabilities of the head of state in a parliamentary system, however, is a much more significant partisan political undertaking than it is in a presidential form of government, something we in the United States probably should

be thankful for.

The United States is seen as the preeminent model of coordination from the top, and it is seen as both good and bad. References to the role of the U.S. President's National Security Advisor are often accompanied by remarks about dysfunctional battles between the Secretary of State and the National Security Advisor. But there is also the recognition that this capability in the President's office can be useful in bringing about more coordination and coherence in

foreign policy.

Finally, I would like to focus briefly on transnational issues and multilateral actors. These are two characteristics of the new post-cold war world that are increasingly important. Functionally oriented international organizations are now often interacting directly with domestic ministries in a country on a variety of transnational issues, often without going through the foreign ministry. These interactions with international organizations are a rapidly growing proportion of the international linkages of most countries. The objectives of foreign ministries on such issues are likely to be very different from those of either the domestic ministry or the international organization.

As was noted here earlier, foreign ministries are poorly set up to deal effectively with international organizations as actors. They are much more comfortable dealing with issues where the major actors

are other foreign ministries representing nation states.

The recent discussion of a new under secretary for global issues in the State Department as well as the effort to integrate multilateral affairs diplomacy with the regional bureaus are both positive

developments.

Finally, there are numerous internal factors in foreign ministries themselves that affect the foreign policymaking system. The debate over generalist versus specialist is still very real as Professor Destler has noted and very difficult to deal with. All too often generalists from foreign ministries are dealing and negotiating with specialists from domestic ministries or international organizations, and this is a disadvantageous situation for foreign ministries and for foreign policy coordination.

At the same time, the foreign service culture, their professional traditions, their recruitment system, and the rotational assignment system are still major barriers to the recruitment and retention of

true specialists in foreign ministries.

Finally, there is the constant tension between the need in the foreign policymaking system for efficient managers and for excellent analysts and diplomats. Foreign ministries all over the world have recognized time and again the need for persons who can manage foreign affairs issues and the foreign ministry itself in a professional manner and who want to do this sort of work.

At the same time, there is a universal fear that only foreign service professionals are able to understand and manage foreign ministries. This conflict, together with a reward structure that does not weigh management skills highly and a failure to infuse modern information and communications technology into the system, has affected foreign ministries negatively and has reduced their overall

effectiveness in the foreign policymaking system.

This less than comprehensive overview of opportunities and challenges for foreign policymaking in a post-cold war world has been based primarily on studies of foreign ministries all over the world. To the degree that there is relevance to the U.S. foreign policymaking system, this demonstrates that in fact there is a common set of factors affecting foreign policymaking around the world. The specific concerns of the United States may differ here and there but the overall experiences of others may be very relevant to our search for an improved foreign policymaking process.

Thank you, Mr. Chairman.

[The prepared statement of Mr. East appears at the conclusion of the hearing.]

Mr. BERMAN. Well, thank you very much, all of you.

There are some very important issues here. I would like to start first by making sort of a statement, a rambling statement and question, and then go on to the rest of the panel and perhaps come back in another round for a few more specifics.

The rambling statement.

It is around this whole question of how much all this organization structure makes any difference as opposed to the personalities of key players, the issues that are important to a President and whether or not it really pays to spend a lot of time.

Let me mention three or four different things.

For various reasons, I had the opportunity to spend from about 1983, when I first got here, until August 2, 1990, watching very

closely the evolution of U.S. policy toward Iraq. And one of the questions I have in mind is was there something about the organization of the foreign policy apparatus that led what I think almost everyone now would say, if they were not under oath and on a wit-

ness stand, was probably a mistaken policy formulation.

We know that you tick off different issues and a lot of this is within State's realm as opposed to interagency. Iraq's position on human rights issues. Iraq's support for state-sponsored terrorism and the harboring of terrorists. Iraq's policies on the issue of proliferation, and there is ample evidence from intelligence agencies as well as from published reports of Iraq doing things on this front that were directly inimical and antithetical to United States clearly held, presidentially enunciated positions.

And notwithstanding all that, a policy developed that essentially came out of a regional perspective. This saw Iraq initially fighting Iran, standing up to Muslim fundamentalism, acting like it could be moved from the rejectionist camp to the more "moderate" camp in the context of the peace process and a little bit in the context of the cold war, a country which had been closely allied with the Soviet Union but was making signs that maybe they would be in-

terested in another suitor.

So I would be interested in your response as to what extent organizationally this policy developed in a way that it might not have

developed if things had been structured differently.

Then to the other points I want to make: Mr. Mendelsohn, even in your testimony you mentioned as you spoke of the need for ACDA, you recognize there were periods of time where either because the head of ACDA had very little claim to the President's or the Secretary of State's ear, ACDA's role became very subordinated or, because the head of ACDA had no passion for what you thought was the mission of ACDA, that it did not matter how close he was to the presidency or the closer the worse, in some sense.

Jim Baker, as Secretary of State, was probably as close to the President and therefore as powerful a voice on any issue within the traditional notion of the State Department or on trade issues or on issues about military, any issue he wanted, he had as much of the President's ear as anybody could want. To what extent did things work differently then in terms of the role of the State Department?

And, finally, I notice the State Department of the past 4 years, there were a group of people, a small group of people, not necessarily by virtue of the positions they had, they seem to be given positions as a way of having a portfolio to do what the Secretary wanted, who became the closest group of advisors to the Secretary, and in some ways perhaps were separate from most of the regular on-line functions of the State Department.

So having used my time for a question, if any and all of you would like to respond, we will move on. But I am the chairman,

so it must be OK. It is good to be king.

[Laughter.]

Mr. DESTLER. Let me try to walk into that one first.

I share your frustration about the limits of organization reform. In early 1980, I wrote an article proving beyond doubt that the position of the National Security Advisor had become too powerful,

and a month after it was published the Secretary of State resigned,

so it was somewhat less than the effect that I intended.

The Iraq problem, in retrospect one can add another obvious thing, that the risk of sort of upsetting the whole post-war security order by allowing a conquest of a country like Kuwait to succeed and the need for someone with a global perspective on the security order, it seems to me, and the dangers of an action such as Iraq took seems to have been absent from that process. It is harder to say how one can organizationally cure it.

In the real world, the human rights bureau is not going to be probably the most dominant bureau in the State Department, let alone the controlling bureau unless the President is above all de-

termined to make that happen.

And, of course, the other problem with Iraq was, as you among other others have pointed out so clearly, the regional bureau did not do its own job right in the sense that the misread the specifics of what that national leader was about and where he was going.

And so one could argue that that is both a problem of weakness of cross-cutting perspectives and weighing in but also a problem of being too caught up in sort of in the short run trying to nurture kind of a tenuous slightly improving relation with a very difficult head of state at cost with a judgment about where he was going and the risks of where he was going.

Mr. East. First of all, it seems to me that issues involving countries as enemies are going to recede in importance, whereas global issues where there may not be an enemy, are going to increase. So I am more worried effectively with the global issues of the future and less concerned about changing to deal better with issues like

Iraq.

Second there is something in one of the recent studies of the State Department that is relevant here and that is this question of empowerment, as it was called in the study done by the Institute for Diplomatic Studies. If there had been fewer barriers to policy formulation within the State Department and between the State Department and other agencies at the mid-level, we might have had more integration between the views of the human rights bureau and the regional bureaus on Iraq. the process of formulating policy needs to be opened up, and it needs to be opened up at the middle level.

Let me elaborate.

At the assistant secretary and deputy secretary and above, they meet interdepartmentally. In country, the ambassador does the interdepartment coordination job. But where the bulk of the policy work is done—the preparation, the analyses, the formulating of issues—this is being done with little interagency interaction and coordination until the issue moves up the hierarchy. I would like to see the middle level person in the regional bureau bring in people from human rights, from outside the agency, and a devolving of responsibility for policy-coordination efforts down to a lower level. This may produce better decisionmaking because of a more coherent and coordinated look at the issues of an earlier stage in the process.

Mr. BERMAN. Start affecting the cables.

Mr. NITZE. Mr. Chairman, I can just speak to one issue that has been politically very contentious in the State Department that I

worked on, and that is the issue of global climate change.

Now, there a very interesting thing happened with Secretary Baker. He started with his first speech in office to an international group which laid out what I still think is basically the correct direction of U.S. policy on that issue, which is we do those things that make sense for other reasons while at the same time reducing the risk of global climate change. Things like energy efficiency, which my organization promotes.

What subsequently happened was that important domestic constituencies gained the ear, the very willing ear, of the President's chief of staff and this issue quickly became a very hot political issue in the domestic political arena with very strong positions being taken by very important White House constituencies and the Secretary of State withdrew. And, in my opinion although he gave other reasons, the reason he withdrew was in order not to queer his basic relationship with the conservative wing of the Republican

Party.

What this episode highlights for me is the real need for the President to consider the relationship between foreign and domestic policy on global issues, and that cannot be done entirely within the Department of State but it has to be done and the Department of State has to be involved in it and we have to have clear marching signals. For example, on the issue of preserving tropical forests, the president of Brazil promptly pointed out to a senatorial delegation that why should he protect his rain forests when we were unwilling to protect our rain forests? Why should China change its energy pricing if we are not going to change ours? And so on and so forth. And this extends over a wide range of issues.

So I just would point out that that is a problem that has bedeviled the State Department's work on issues that I have been concerned with and that regrettably cannot be cured purely within the State Department itself. It has to be cured by the President and

through a more integrated interagency process.

Mr. Mendelsohn. I would just like to comment briefly on this. I think organization can assure that an issue or a view is represented but it is not possible for organization itself to assure that a view on an issue will be heeded. I think there is a limit as to how you can structure in order to make sure that a particular point is covered. You cannot structure to make sure that particular actions are taken. And I think that is a fundamental problem and it will remain that way in bureaucracies.

In the case of Iraq, we knew a great deal about what Iraq was up to before that war broke out. We chose for other reasons to disregard some of the more negative aspects and to try to play on

what we thought were some of the more positive aspects.

To come back to a point I made earlier, on the reinterpretation of the ABM treaty, the administration had a view presented to it that their interpretation was incorrect and it chose to disregard that view. The question remains, to come back to the original presentation I made, is it worth keeping the structure so that the views are uttered even though they may not be observed.

The other problem about structure, and I think Mr. Nitze just alluded to this, is that there are much more subtle things that go on in the bureaucratic cultures as to why issues are paid attention to, why issues become hot topics, why people are interested in taking positions or getting involved in issues. And those are very hard to deal with on an organizational basis.

It has never been a high priority, career enhancer to work for the OES Bureau within the State Department. That is something that cannot be handled legislatively, I do not think. It is a much more

subtle psychological bureaucratic outcome, if you will.

Mr. BERMAN. Thank you.

Mr. Diaz-Balart.

Mr. DIAZ-BALART. Mr. Chairman, I have no questions at this time.

Mr. BERMAN. Mr. Edwards.

Mr. EDWARDS. Thank you, Mr. Chairman.

I am getting a great deal out of the testimony from these experts,

even though I am new to the subcommittee.

You know, gentlemen, every department is going to have to take some hits. When I do the limited travelling that I do, to the former Soviet Union, for example, I see that has been broken up into a half a dozen or so new countries that we have to staff with an ambassador and so forth. It seems to me that in the Balkans we are liable to have half a dozen new countries, too.

With all the complications going on in these areas and elsewhere in the world, it could happen anywhere. The cold war is over and it seems to have triggered the breakup of a lot of former dynasties;

it might happen in China one of these days.

How in the world is the State Department—I have a great deal of admiration for especially the foreign service—going to meet its obligations in saving money? Let me tell you, the pinch is on here and they are going to have to be very frugal, too.

How can they do it when they have to have new staffing and new buildings, new rentals, new salaries, new typewriters? Or do we

use typewriters any more?

Mr. BERMAN. Property is cheap there.

Mr. EAST. Mr. Edwards, I think one answer is that we ought to look much more seriously at the idea of multiple accreditation. This would be a major change of policy, since every country in the world considers a U.S. Embassy as a sign of nationhood. But there is certainly precedent. Most smaller nations, and many larger ones already have multiply accredited embassies. New technologies make it even easier. I would hate to see the United States move in this direction alone, but we should explore with other major powers in the world the possibility of increasing multiple accreditation of embassies.

It is a solution whose time has come. It will be a very big blow to a number of countries perhaps, but if we are not the only one of the major great powers doing it, I think it is well worth a look.

Mr. BERMAN. Let me just interject here, because it will be rel-

evant for the subcommittee.

Just watch the flurry of activity start when the State Department hints that they want to close—forget an embassy—a consulate in a city. And we did change the law in this committee last

year to in a sense give more flexibility to the Department to do it. They have proposed a series of closures and I do not know if they have started knocking on your door yet, but they will.

Each representative and everyone who is affected will be coming in urging us to legislate blocking the closure of a particular con-

sulate

Mr. EDWARDS. Well, that is very helpful.

Mr. BERMAN. What does multiple representation mean, though?

Exactly.

Mr. EAST. It means that a single embassy will be accredited to and responsible for a number of countries. It has even been proposed that if you have high level negotiations, we can fly in a totally secure meeting space that is appropriate for picture taking and communications and security and handle it like that. And there can be a system of roving services that are applied on a broader basis.

Mr. DESTLER. It seems to me a modification of that would be if people did not want to bite the bullet and not have a separate Ambassador representative to a country would be these political and economic and environmental and other staff to have staff officers assigned to several such missions. And so that you would not have to have the substantial kind of minimum embassy structure at each of these countries but you could have people performing the same function vis-a-vis several related countries.

Mr. EDWARDS. Well, they have to use the ingenuity of which I am sure we are capable. Coming from Silicon Valley, I know you can have great meetings without flying anywhere. We do it all the

time in a little corporation that is here in town.

Mr. MENDELSOHN. I think that there has been a change in the overall political atmosphere where I do not think we have the sense that we must line up every nation on one side or another, preferably our side. With the passing of that sentiment, I think it is easier to begin to contemplate the idea that you can give one Ambassador a half a dozen Central African countries that have some reasonable relationship, both geographic and political, and they

could be successfully covered.

I would like to suggest one other thing. We do a lot of information sharing with our allies and a lot of our allies actually do information sharing with themselves in areas where they are not represented but one of their friends may be represented. They indeed share basic reporting. I am not suggesting that very, very sensitive material will get shared that way but a lot of economic data, a lot of overt information could be obtained. There is no reason why we cannot cooperate with the French in areas where they are heavily represented, with the British where they are traditionally represented, with the Spanish, et cetera.

So you have a reason, if you will, to get another source of information, actually, when you say "I am not going to be there full time, I am not going to be there in full complement, but I am going to be there. And, incidentally, I am going to pick up other reporting

sources.

Mr. EDWARDS. Thank you very much. It was very helpful.

Mr. BERMAN. Thank you.

Mr. Menendez.

Mr. MENENDEZ. Thank you, Mr. Chairman.

I am sorry I did not hear some of the testimony before because I was at another committee hearing but I read your testimony

while listening to some of it.

As a reference point, some of you may have seen the article by James Speth in Foreign Affairs, "A Post-Rio Compact." He talks about the changes that are happening in the world and he suggests that one such event was the earth summit in Rio, and he goes on to say that among the new values, new sources of interest and new areas for world leadership is the fact that the Rio conference concentrated on another kind of security—environmental security—and the need to close the widening gap between the haves and have nots. It suggested that Rio, with the beginning of the end of the cold war, the goal of diplomacy is shifting from conflict management to common endeavors and talked about a new axis for world affairs not being East and West but North and South.

In that context and in the context of the statement that I think

In that context and in the context of the statement that I think Professor Destler made which said in a world where economics has become central and the domestic international policy boundary is fading, State will not replicate overall U.S. engagement in the world as much as it once did. I have heard many people call for embassies abroad to be a greater source of economic analysis for our companies back here at home, something that other countries

do.

Do you think that our new Secretary of State has gone far enough in his opportunity for reform and reorganization of the De-

partment?

Are his reforms going to be responsive to just some of those issues and, if not, do you have suggestions for the committee that would make our State Department more responsive as it relates to those issues?

Mr. DESTLER. I think the Under Secretary for Global Affairs, assuming that the committee and the Congress approves it, is a useful step. I also think that there were some earlier—at least earlier drafts, maybe the final version of the State Department report talked about putting environmental and economic issues under the

same under secretary.

I personally did not think that was a good idea, because I thought at many points the environmental perspective conflicts with some economic policy perspectives and it seemed to me they will need to be resolved but not necessarily by an Under Secretary of State and therefore I think this is a desirable step. I do not see within the State Department any further logical steps at this point. A complementary step would be the creation of a Department of the Environment, particularly if it involved not just the elevation of the Environmental Protection Agency but giving it some broader scope and broader analytic capability for addressing issues that cut across boundaries.

Mr. NITZE. Just to add to what Professor Destler has said, in my testimony I have proposed that the Department of State have a greater role in how we allocate foreign assistance funds, particularly in the area of sustainable development. Traditionally, that has happened through AID with very extensive congressional guidance through the Foreign Assistance Act and other mechanisms.

I would humbly suggest that perhaps the degree of that guidance could be lessened, at least made more general, but that within the executive branch-

Mr. BERMAN. Were you saying that before Senator Wirth

was-

Mr. NITZE. Yes.

Mr. BERMAN. OK. Just to make sure.

Mr. NITZE. Yes.

Mr. BERMAN. Sometimes how specific we get depends on who we

are getting.

Mr. NITZE. I understand. And the environmental community has lobbied very strongly for many of the earmarks that now exist in the Foreign Assistance Act and I acknowledge that. I am hopeful not only with the change in administration but with the end of the cold war and a different foreign policy agenda overall that that may be less necessary and that we can create a funding mechanism where in effect the different agencies compete to some extent for project funding in order to carry out what will hopefully be a more

integrated, sustainable development agenda.

I have discussed this idea with people in AID and with other agencies and I think there is quite a lot of support for it, both in and outside of the government. The global energy efficiency working group will endorse a similar idea and I know a number of the major environmental organizations are behind it and also industries because frankly the lack of both coordination and competition in the way we have disbursed foreign assistance funds, to my view, has led to a lack of cost effectiveness and a certain degree of waste. So I think there is an integration there would help a great deal in adding critical mass.

Mr. EAST. Just one comment on the idea of helping America's international competitiveness. I really have not studied this issue in the State Department as carefully as I would like. But looking abroad, one of the things that clearly has impressed me is how far and how quickly other countries have moved to have their foreign ministries be very supportive, if not the lead agency in trying to promote economic efforts abroad. And our foreign ministry still seems to be resisting, dragging its feet, hesitating, even though we

have made progress.

It is a culture problem probably as much as it is an organizational problem. Again, I urge that we look more carefully at what other countries have done to see what else we can do to help American business and investment and global economic growth abroad. We must make sure that the State Department is, if not out in front, then very definitely in the traces on that. And I do not get the feeling that the United States is doing as well on this as other countries, I have not studied it nearly as much as some other people have.

Mr. DESTLER. Of course, recently the movement has been away from that, moving the commercial service over to the Commerce Department. This committee might want to look at that question

and whether that should be so.

Mr. BERMAN. So would Energy and Commerce.

Mr. DESTLER. I am sure, yes. One of the problems again-

Mr. BERMAN. Or if we look, they will want to look.

Mr. DESTLER. Indeed, yes. One of the problems of broadening the Department of Environment, a logical thing is to put the National Oceanic and Atmospheric Administration there, NOAA, which was apparently given to Commerce by President Nixon because he was mad at Secretary Hickel and the Interior at the time when it was created.

Mr. BERMAN. Well, Hickel showed him.

[Laughter.]

Mr. DESTLER. But the problem is, obviously, there are people in Congress, among other places, who have jurisdiction over Commerce and like NOAA just where it is, and so that becomes difficult, if not impossible.

Mr. BERMAN. Did you have a followup?

Mr. MENENDEZ. Yes. Just really a comment, Mr. Chairman, on

that last point.

When Congressman Edwards talks as we all are about the necessity to tighten this belt, I will tell you, that culture that you talk about exists that resists using our foreign embassies as a way to economically create opportunities for American businesses at home. Unemployment is a great culture shock, and so I think that this is one of the aspects, regardless of where the turf aspect of it is. And I would hope the State Department is really going to look at this. In a world that is very, very much focused on economics, this is a new aspect of economic interest: that we have to use our embassies abroad to become competitive in the world.

Mr. EDWARDS. If the gentleman would yield, we from California

are especially sensitive to this.

We have the highest unemployment in the country, and I might say for the benefit of the State Department and the administration that it drives us up the wall to see our customer, and it should be our customer, a California customer, the 90 billion people of Southeast Asia, Vietnam in particular, and the Japanese going there with the last few weeks with hundreds and hundreds of people and the French following with their prime minister, and yet we do nothing, apparently. And I know that is a political matter that the State Department can address head-on, but I would hope a signal is being sent that it is costing us a lot of unemployment compensation in California.

Mr. BERMAN. Just to recognize myself and follow up on this

theme, this raises real interesting tension points.

On the one hand, we need to cut and we have talked about some ways you can do this, but on the other hand, the need to shore up the commercial outreach of our embassies, to find new markets for U.S. exporters. Those two things could work against each other to some extent.

The notion of using foreign aid as a tool to enhance exports versus focusing on sustainable development and to the extent that there are conflicts between using foreign aid to promote certain U.S. exports which are not necessarily consistent with promoting notions of sustainable development in Third World countries, the tension between economic interests and environmental interests, I see it all the time in the ACDA State Department area.

This is such a—if one is focused—well, there are a lot of different problems here. One is in the area of technology, massive markets

in the Far East, and then the extent to which export standards should allow high technology exports and the extent to which that gives people capability and weapons of mass destruction and that tension. Or the tension between maintaining a defense industrial base, which is sometimes a euphemism for jobs, versus selling arms, to what extent that undercuts our nonproliferation agenda, and organizationally again this question of to what extent when

you put competing forces in the same place.

Is it better to have ACDA focused on arms control and arms proliferation and our Under Secretary for Security Affairs focused on arms exports, rewarding our allies and keeping our jobs open, or is it better to have him with his duality of purpose? We did have the environment and the economics—well, I take that back. I guess we did not. But to what extent was that united? But under the Under Secretary for Economic Affairs before and now some people

say let us unite it but under the Under Secretary for Global Affairs.

It is hard to get a formula on all of this, but there are these tensions. That is my question.

Mr. NITZE. Well, Mr. Chairman, perhaps I could suggest at least

the beginning of a formula.

I see less tension actually at least in the energy area than perhaps you imply. For example, I was with Dick Lawson, who is the president of the National Coal Association, yesterday and the Coal Association has a tremendous contribution to make to sustainable development, just in cleaning up and making more efficient coal burning facilities in Eastern Europe, the CIS, China and other developing countries. They are going to have to burn a significant amount of coal. It is in our interests that they burn it as cleanly and efficiently as possible.

And that is true of most of the conventional U.S. energy industries as well as, of course, the emerging efficiency and renewable energy industries. So at least in the energy sector, I see a broad overlap and a tremendous opportunity for many different parts of

the U.S. energy industry.

Now, secondly---

Mr. BERMAN. That amounts to figuring out a wise strategy that promotes environmentally sound technology exports to an area that is going to have to use coal—

Mr. NITZE. Right.

Mr. BERMAN [continuing]. in a way that helps American industry.

Mr. NITZE, Right.

Mr. Berman. Bechtel would also like to build lots of big, large dams like they did in the 70's that in some ways messed up agriculture in some of these countries.

Mr. NITZE. Well, I---

Mr. BERMAN. You have to pick and choose.

Mr. NITZE. I cannot satisfy every single energy-related constituency, but what I am saying is there is a broad area where lots of

different parts of the American economy can participate.

Now, on the defense conversion issue, we are trying to, at least under the new administration, move our national labs, many of our other institutions that have traditionally focused on defense technologies, into more civilian-oriented technology and hopefully shift the employment base. That cannot be done as smoothly as the

President would like, but we have to try.

It seems to me the same kind of shift should take place in terms of our export markets. Ideally rather than exporting F-16s we can export agricultural or energy systems, information highways, all of the other things that we manufacture.

I am not saying it is easy, but what I am suggesting is I think there is the outline of a grand strategy for making that transition in our foreign policy, including our trade policy, as well as our do-

mestic policy.

Mr. MENDELSOHN. If I can address partly your paradox about the tension and the duality that exists in exports, both controlling. them for our national security purposes and selling them, if you will, for our national security purposes, there is no answer. It is

very difficult, obviously.

I would simply suggest that it is preferable to have the issue discussed at the highest levels, that the tension ought to hit the National Security Council tables. It ought not to be decided by an under secretary that has competing pressures upon him or her. If the Under Secretary does not decide it, it may be decided by the Secretary level and then it does not get full airing at the highest

levels. I am talking about major issues here, obviously.

And so that is simply the kind of rule of thumb that I would argue is worth keeping in mind, that the issues—we made a mistake on Iraq but clearly the discussion should have been at the highest levels. We may have still decided to go ahead and arm them prior to August 2nd for other political reasons but that discussion ought to have been at the highest level and the decision made at the highest level and responsibility accepted at the highest level as well.

Mr. BERMAN. I would like just a couple of real questions.

To what extent is-I mean, you have touched on it but elaborate a little more, is the generalist concept, the foreign service officer or the renaissance man or woman who is not the true specialist, to what extent is that notion still a viable notion for the foreign service?

Mr. DESTLER. I guess I would say it is not really a viable notion and I think it has not been for some time now. I think it has also receded to some degree as an ethos within the foreign service. I think even political officers generally feel they ought to have some area of specialty which is functional whether they get into arms or

whether they get into other types of issues.

Obviously you do not want people who are going to be just specialists. You want people who can build on their specialty and at some point get beyond it. But I think you have to have specialists and country specialization and regional specialization is absolutely important but also absolutely insufficient. You also very much need, preferably in the same people, you need to have country and some functional specialization so they will have some perspective on their work.

Mr. East. At the Elliott School at the George Washington University we turn out a very large number of people who become international affairs professionals, including folks in the State Department. There is a great deal of concern about turning out young people who are very well trained, for example in economics, who go into the State Department and get two tours as a consular officer. After 6 or 7 years, their economic skills are extremely rusty. The costs to them to bring those skills up to speed, the commitment that is to be made to do it even if they get an economic position the third tour around. How much should they put into it? Because in their fourth tour they may be trying for career reasons to get into a political job.

It seems to me that the rotational assignment system, the greater use of expertise from outside, the kinds of reward structures to encourage people to specialize early on, still have not been grappled with. I understand all of the structural reasons why this issue is difficult. But if our objective is to recruit a cadre of specialists and to fit them into the foreign service, we can certainly do a better job

of it.

Mr. BERMAN. Yes, Mr. Nitze.

Mr. NITZE. I think actually with the three cones, political, economic and now environment, science and technology, the State De-

partment has a basic structure that can be made to work.

I agree with what has been said to the effect that at least up to a fairly senior level in their careers people in those respective cones should be given a focus and should not be transferred out of the cone or into areas for which they have not had training.

As you approach the top of the Department, however, you are naturally going to have to select people that have strong human skills and managerial abilities. I mean, that happens all over the world and you can see it in the Japanese bureaucracy where someone that has worked on heavy industries or energy or biotechnology will emerge and become a bureau director and then vice minister and possibly even a member of parliament.

It seems to me we can do that here and you can give people a reasonable degree of specialization in the first 15 or 20 years of their career so you build this kind of critical mass of expertise. And then you can start to make selections for more senior positions based on more generalist skills. I think it is possible to do that.

Mr. BERMAN. My last questions. I still cannot get over that ACDA argued for the narrow interpretation of the ABM. Was this

when Ken Adelman was the director of ACDA?

Mr. MENDELSOHN. It would have been—that is right. It would have been' 84,' 85, when they were the only agency to argue for the original interpretation.

Mr. BERMAN. All right. OK. And then-

Mr. MENDELSOHN. It actually leaked to the press. There were some reports.

Mr. DESTLER. Is it clear that it was Adelman or was it lower

down?

Mr. MENDELSOHN. I am sorry. The question was only was Adelman the director.

Mr. DESTLER. The director.

Mr. MENDELSOHN. Yes. Adelman himself did not take a position. It was the legal office and Adelman circulated a brief from that office.

Mr. BERMAN. Yes. But you will never get the legal office the ear of the President. You are going to have to get it at least at the director level.

Mr. Nitze, just going back again to this earlier question about AID and this Under Secretary for Global Affairs. Can you just encapsulate how you would change the structure of AID to give other than-I mean, there is a lot within that under secretary's portfolio which is really functionally—I mean, AID missions distribute—I mean, other than the multilaterals and the U.N. programs, AID missions are giving the money for population programs and environmental remediation things and all of this. How would you-now you have this administrator, one of the other things bubbling around is to what extent that needs to be reorganized but do you

have a specific suggestion in that area?

Mr. NITZE. Well, I would, as an experiment, take part of the funds which AID now devotes to sustainable development, I have heard the number of \$600 million a year as a rough figure, maybe, say, \$300 million which could be taken from elsewhere in AID's general support funds, put that into a special fund and have different agencies such as, for example, the Department of Energy in their new Adept Program which is designed to transfer energy technologies abroad, compete for funding from the fund but have a jury, if you will, a management committee that would decide on which projects get funded and have the new under secretary in effect chair that management committee.

Now, the model for this is the global environment facility. I have not adopted all of the features of the GEF, some of them I do not

really support.

I think what that would do is force the different agencies to work together in prioritizing the allocation of U.S. development assistance resources and give the Under Secretary a hands-on role as chairman of that committee in deciding how AID resources were actually spent in furtherance of the priorities that he was developing at the Department of State.

He would not have to do it initially for all or even the majority of the AID budget. You could start small. But I think it would be a very interesting experiment and hopefully what would happen is you would get a higher level of interaction within the bureaucracy

in figuring out what really made sense and what did not.

And by putting an incentive on private sector matching, so like with the clean coal technology program, say, 50 percent of the money at least in certain areas like energy would have to come from the private sector, you would put a certain element of market discipline into the process as well and you would have an incentive to pull in the U.S. private sector into the sustainable development

Mr. BERMAN. It sounds like a subsidy.

Mr. NITZE. No. Well, in part, it is a subsidy to the host country and it is indirectly a subsidy in the sense that you are trying to create a better environment for U.S. companies to invest in these things. You have to develop some infrastructure, you have to get the incentive structure right. In a sense, it is a subsidy but that is one way of using AID funds, if you will, to create a better climate for U.S. exports abroad.

Mr. BERMAN. And remember what we are up against. You have these other countries and their programs. The Japanese have no compunctions about tied-aid programs and providing those kinds of subsidies.

Unless there any other questions, I will once again thank you all for coming. I found it very interesting and useful and really appreciated the time you took and the thought you took to be part of all

of this.

I will declare the hearing to be adjourned.

[Whereupon, at 4:10 p.m., the subcommittee was adjourned.]

## APPENDIX

#### PREPARED STATEMENT OF CONGRESSWOMAN OLYMPIA J. SNOWE

Mr. Chairman, I am pleased that we are starting our hearings on the State Department authorization bill early, even before we have a budget request from the administration. The hearing today with our distinguished witnesses will begin to give us an overall view of organizational issues facing the State Department—and

indeed the larger foreign affairs function.

This year, the subcommittee will be approaching the Foreign Relations Authorization Act from a different perspective. In the past, the structure of the administration request has dictated the structure of our authorization hearings. This year, we will be concentrating our hearings in two main areas: larger organizational issues and issues that are new to the subcommittee's jurisidction. We will be addressing routine and noncontroversial areas of the authorization bill through informal briefings and working sessions.

We are truly at a crossroads in organizing the foreign affairs function for the 1990's and the new century beyond. The issues we must address about the State Department's future are both fundamental and compelling. The traditional function of the State Department is to conduct U.S. relations with foreign governments. But the content of those relations are increasingly inseparable from domestic issues such

as immigration, trade, and the environment.

In fact, the history of the State Department over the past few decades follows a dual track of attempts to bypass the State Department's self-perceived core activity, that is, the conduct of bilateral relations. On one track, issue after issue has been moved out of State to be "better" addressed by other agencies. This process ranges from the establishment of entirely new agencies such as AID, USIA and ACDA, to the transfer of major programs to other Departments, such as establishment of the Foreign Commercial Service at Commerce and the Foreign Agricultural Service at USDA. This process has moved forward to such an extent that today State Department personnel comprise barely 30 percent of all U.S. employees at overseas diplomatic posts.

On a second track, both Congress and the administration have created a plethora of new functional bureaucratic structures within the State Department in an attempt to bring attention to nontraditional issues. These include the creation of the Human Rights Bureau, the Oceans and International Environmental and Scientific Affairs Bureau, the Narcotics Bureau, and the Refugee Bureau. While these two tracks have attempted to address a very real problem, they have also fractured our ability to conduct a coordinated policy and have further bloated the already bureau-

cratic structure of the Department of State.

While none of us may have any simple answers, two questions are clearly before us: First, should the State Department continue its traditional role of treating foreign issues as separate from domestic issues? If not, how can State cope with its new role lacking the specialized expertise that resides in our domestic agencies? And second, should we simply recognize as a fact of life the greater role of so-called "domestic agencies" in foreign affairs given the increasingly complex web of issues affecting U.S. interests around the globe?

Again, I would like to welcome our distinguished witnesses, and I look forward

to your comments.

Testimony of William A. Nitze
President of the Alliance to Save Energy
Before the Subcommittee on International Operations
Committee on Foreign Affairs
House of Representatives
February 23, 1993

Mr. Chairman, Members of the Subcommittee, Ladies and Gentleman:

My name is William A. Nitze and I am President of the Alliance to Save Energy, a non-profit coalition of government, industry, consumer and environmental leaders dedicated to increasing investment in energy efficiency. I very much appreciate the opportunity to testify before the Subcommittee on International Operations of the House Foreign Affairs Committee on how the Department of State and related agencies such as the Agency for International Development (AID) should organize themselves to address cross-cutting global issues in the 1990s.

This question is of great interest to the Alliance because of our commitment to promoting energy efficiency abroad as well as in the U.S. and our ongoing work to help U.S. companies in the energy efficiency industry find international markets for their products and services. It is also of great interest to me personally because of my past experience as Deputy Assistant Secretary of State for Environment, Health and Natural Resources and my ongoing commitment to help formulate and implement a more effective U.S. strategy to address climate change and other global environmental issues.

#### The Underlying Problem

The underlying problem that my testimony will seek to address is that the Department of State, AID and the other foreign policy institutions of the U.S. government are organized to address the old national security challenges of the Cold War and not the new national security challenges of the post-Cold War period. For 45 years the human and financial resources of our foreign policy institutions have been focussed on building and maintaining the alliances and coalitions necessary to contain the spread of Soviet power. Other worthy objectives such as maintaining access to foreign markets or limiting the spread of conventional weapons have frequently been sacrificed in the pursuit of this paramount goal.

With the revolution of 1989 and the collapse of the Soviet Union we face a radically different national security agenda. The threats of nuclear war and Communist subversion have been replaced by the interrelated threats of overpopulation; environmental degradation; loss of topsoil, potable water and other natural resources necessary to support human life; local conflict; and human migration. These threats have been growing for some time, but our preoccupation with containing Soviet power has prevented us from giving them the attention they deserve. We must now address them with the same level of commitment we showed in winning the Cold War.

This new commitment in turn requires the State Department, the Agency for International Development (AID) and related agencies to take at least four fundamental steps:

- 1. Elevate the preparation and implementation of an integrated national strategy for promoting sustainable development around the world to the top of the foreign policy agenda;
- 2. Reallocate human and financial resources towards work on cross-cutting global issues and away from work on traditional political issues;
- 3. Create a mechanism for financing the design and implementation of specific projects in foreign countries that contribute to implement the strategy and that generate the maximum amount of co-funding from other sources; and

4. Reinforce the lead role of the State Department in representing the United States in all multilateral negotiations concerning environment, population and other sustainable development issues.

I will now discuss each of these four steps in more detail.

### I. Elevate the Sustainable Development Agenda

The Clinton Administration has already taken an important first step in elevating the sustainable development agenda within the State Department by nominating Senator Timothy Wirth to fill what will be a new position as Undersecretary for Global Affairs with four bureaus - oceans, environment and science (OES); population, refugees and migration; democracy, human rights and labor; and narcotics, terrorism and crime - reporting to him. In the last two Administrations, the Undersecretary responsible for environmental and population matters was also responsible for economic affairs, and in the case of Robert Zoellick, political affairs within the Department. This breadth of responsibility, combined with political impediments to new initiatives, contributed to a lack of high-level attention to environmental and other sustainable development issues. By appointing an Undersecretary with portfolio focussed on issues related to sustainable development, the new Administration has hopefully increased the amount of attention they will receive at the top of the Department.

That being said, the proposed grouping of issues needs further refinement. There is a clear nexus between international environmental and science issues and population, refugee and migration issues. One of the best features of the new plan is the elevation of population issues to bureau status and their linkage to refugees and migration. There is also a nexus between human rights and the environment since the empowerment of people to make decisions about their own families and communities is critical to sustainable development. The nexus between these issues and narcotics, terrorism and crime, however, is somewhat less clear. More importantly, certain elements of the economic and international organizations bureaus need to be added to the new global issues cluster.

The two critical elements within the economic bureau that should be included in the global issues cluster are the energy office and at least that portion of the commodities office dealing with forestry products. During the Reagan and Bush Administrations, the various offices of the economic bureau often acted as internal outposts of outside agencies including Treasury, Energy, Agriculture and Commerce pursuing agendas at odds with the environmental goals of OES or the department as a whole. In representing the U.S. at the International Energy Agency, for example, the energy office tended to adopt the nuclear and fossil fuels agenda of the Department of Energy (DOE) rather than the more environmentally oriented agenda being pursued in OES. If we are serious about having an internally consistent policy on sustainable development issues, the new Undersecretary should have the authority to ensure that all relevant parts of the department sing off a single sheet of music.

The new Undersecretary also needs additional authority over those portions of the foreign relations budget (the 150 account) that fund international organizations dealing with issues under his jurisdiction such as the United Nations Development Program, the United Nations Environment Program, and the United Nations Fund for Population Activities. Historically the international organizations bureau has jealously guarded its authority over appropriations for U.S. contributions to international organizations. The Assistant Secretary for International

Organizations has frequently used that authority to pursue goals diametrically opposed to those of OES or other bureaus. Any new environmental initiative involving a request for new appropriations or a reallocation of existing appropriations would require months of bureaucratic wrangling before the Secretary could finally be persuaded to break the logiam.

Given funding constraints and the need for budgetary discipline, the best way to handle this problem may be to give the Undersecretary for Global Affairs direct responsibility for a specified portion of the international organizations budget covering U.S. contributions (mandatory and voluntary) to international organizations dealing with issues under his or her jurisdiction. The Undersecretary would be responsible for preparing that portion of the international organizations budget, obtaining departmental and OMB approval, and testifying before the appropriate Congressional committees. When combined with the Undersecretary's new role in administering an AID sustainable development fund suggested below, this budgetary authority would for the first time give a senior officer in the State Department some real leverage in implementing a U.S. sustainable development strategy abroad.

#### 2. Reallocate Resources to Global Issues

Historically the Department of State has operated under an informal status system that ranks political officers first, economic officers second, and science and technology officers third. This status system affects every aspect of the Department's operations. The Undersecretary for Political Affairs outranks the other undersecretaries. The geographic bureaus responsible for our political relations with other countries have higher status than the functional bureaus such as OES or the economic bureau and are given priority in terms of personnel and other resources. The most talented foreign service officers seek careers in the political cone as opposed to the economic and S&T cones. Political officers have a better chance of promotion to ambassadorial, deputy chief of mission, deputy assistant secretary and office director positions. The dominance of the geographic bureaus has encouraged the conduct of foreign policy on a country by country basis with little concern about pursuing broader objectives on global issues such as population and the environment. Even among the geographic bureaus, those bureaus dealing with the richer parts of the world such as Europe or East Asia have a higher status than those bureaus dealing with the poorer parts of the world most in need of sustainable development assistance.

Fortunately the perceptions on which this status system is based are already beginning to shift with the end of the Cold War. People in the department are increasingly aware of the importance of global issues. OES is no longer regarded as a repository for people who cannot find more promising positions elsewhere. Several senior officers have told me that they would regard the OES Assistant Secretaryship as one of the most desirable positions in the department. The passionate interest of Vice-President Gore and increasingly President Clinton and other senior figures in the Administration in sustainable development issues will undoubtedly accelerate this change in perceptions.

But changing perceptions will not in themselves shift the necessary resources to work on global issues. More deliberate institutional steps must be taken. First we need to increase the number of environment, science and technology counselors in foreign posts. Currently a total of only 40 people are assigned to environment, science and technology issues in only 23 posts. Important countries such as Saudi Arabia, Nigeria, Malaysia and the Ukraine do not have any. By way of contrast, our major trading partners have 10 or more such people assigned to the

United States alone and far broader coverage around the world. If we are serious about improving our international competitiveness and promoting sustainable development around the world the number of environment, science and technology counselors should be at least tripled or quadrupled.

Second the new global affairs bureaus being created in addition to OES must be fully staffed and the number of people assigned to OES substantially increased. The three offices in the environment division in particular need additional staff to cover ongoing negotiations on environmental issues ranging from climate change to transboundry shipments of hazardous substances to protection of biodiversity. As the Deputy Assistant Secretary for Environment and the officers reporting to him have scrambled to cover these negotiations, the overall management of the division has suffered. Since the department's total budget is unlikely to increase substantially, the staffing increases suggested above will have to be offset by staffing reductions in the geographic bureaus and rationalization elsewhere in the department. The department's willingness to reallocate resources in this manner will be a test of its seriousness in addressing the sustainable development agenda.

Third the people working on global issues such as environment and population must be given greater status within the department. This is largely a matter of ensuring that good people are assigned to work on these issues and rewarded for good performance with rapid career advancement. The promotion of several environment, science and technology counselors to deputy chief of mission positions would send a powerful signal throughout the department. The Secretary of State should reinforce this signal by stressing the priority of global issues in his personal communications throughout the department and in the allocation of his own time.

Raising the profile and status of global issues would have important indirect benefits in terms of attracting more talented young people to both foreign service and non-foreign service careers in the department. When I first came to work in the department in 1987, John Negroponte, currently our Ambassador to Mexico, told me that he had a choice between entering Harvard Law School and entering the foreign service and chose the latter. I doubt that very many of our most talented young men and women would make the same choice today. This development can in part be explained by the higher pay and better promotion prospects in the private sector. In part, however, it comes from a sense that you cannot make that much of a difference as a junior person in the State Department. If the department as a whole gained the reputation of a place where priority was given to solving the fundamental problems facing the world in the 21st century, it could tap into the idealism and growing concern of many of our brightest young people about the planet they are about to inherit. Harvard and other leading universities around the world have established environmental studies programs that are attracting some of their most talented students. It would be wonderful if these young people perceived pursuing a career in the Department of State as a good way of changing the world for the better.

### 3. A Mechanism for Financing Sustainable Development Projects

Even if the changes in organization and resource allocation discussed above were made, the State Department would still have difficultly in carrying out its sustainable development strategy because it lacks a mechanism to fund specific projects. There is currently a disconnect between the negotiation of international agreements and the management of U.S. government financing for the projects needed to implement those agreements or help those organizations fulfill their missions on the other. The State Department has a reasonable degree of control over the negotiating and management functions, but almost none at all over project

funding, which is controlled by a variety of other agencies in separate programs that are not well coordinated and lack critical mass. The best way of integrating these functions would be to create a sustainable development fund within AID that would fund joint public-private projects sponsored by different agencies under the overall management of the Undersecretary for Global Affairs.

This fund should be structured in a manner designed to overcome other major defects in the current system. First AID itself suffers from a reputation for weak central management, waste of resources and promotion of projects and technologies that are not environmentally sustainable. President Clinton's bemusement at why anybody would want to be Administrator of AID indicates how bad things have become. There are some promising programs within the agency such as certain of the agency's oral rehydration and biodiversity programs or several innovative programs launched by the Office of Energy and Infrastructure such as the PACER program in India. Hopefully new leadership appointed by President Clinton will take aggressive steps to restore the agency's credibility. Nonetheless AID could use some external guidance in its efforts to help the Administration implement its overall sustainable development strategy.

Second the different agencies that disburse development assistance funds are not currently required to adhere to any overall strategy or set of priorities. Each agency will tend to support the particular set of technologies or operating practices with which it is most familiar. AID's emphasis on large energy supply projects rather than energy efficiency reflects its traditional development philosophy. Although it is beginning to pay more attention to efficiency and renewables, DOE's international programs have likewise tended to emphasize less environmentally friendly energy supply technologies in line with its domestic priorities. The Forest Service's international programs similarly reflect their multiple use approach here in the U.S. There is a need to give all of these programs a common focus consistent with overall Administration policy on sustainable development.

Third and most importantly very few of these programs demonstrate any meaningful synergy with the U.S. private sector. At a recent Alliance workshop to discuss EPA's proposed new program of "U.S. Technologies for International Environmental Solutions", none of the private sector representatives present could identify any specific instances where U.S. government programs had helped them sell their products or services abroad. The international market for environmental goods and services is already large and is estimated to reach \$300 billion by the turn of the century.\(^1\) The U.S. has the leading environmental products and technologies in a number of fields ranging from electric motors to water treatment, but there is disturbing evidence that our major competitors are doing a better job in exploiting international markets for those technologies. A recent report to EPA indicates, for example, that total U.S. exports in threes CO2 related industries - automobiles, energy generating equipment, and appliances - declined from 8% in 1980 to 5.9% in 1989.\(^2\)

There is no simple or short-term solution to these problems. Addressing them will require a sustained effort to develop a network of public-private partnerships and working relationships along the lines suggested in the President's economic package announced in his State of the Union Address. There is, however, a mechanism that could act as a catalyst in engaging both government and industry in the implementation of a coordinated sustainable development and export promotion strategy. This mechanism would consist of a sustainable development fund located in AID and initially funded with reprogrammed AID appropriations, but managed by an interagency committee chaired by the Undersecretary of State for Global Affairs. The fund would be designed to (1) ensure effective interagency collaboration in supporting sustainable development projects abroad; (2) increase U.S. private sector participation in implementing such projects: (3) maximize leverage in the form of matching funds from host country or other foreign sources: (4) introduce a badly needed element of competition into the allocation of

limited U.S. development assistance funds; and (5) reduce the need for Congressional earmarking. I will now discuss each of these features in more detail.

## Ensure Effective Interagency Collaboration

AID, DOE, Commerce, EPA and a number of other agencies have created or are in the process of creating programs to promote the export of U.S. environmental products, technologies and methods abroad. Examples include AID's U.S. Asia Environmental Partnership, DOE's Assisting Deployment of Energy Practices and Technologies (ADEPT) Program, and the EPA "U.S. Technologies for International Environmental Solutions" Program referred to above. In theory these programs should be coordinated through the Commerce Department's Trade Promotion Coordinating Committee (TPCC), but in practice the TPCC has only functioned as an information clearinghouse. The sustainable development fund would now become the primary vehicle for funding specific projects under these programs. By requiring the agency representatives on the sustainable development management committee to make joint decisions on which projects to fund, the fund mechanism would force the different agencies to develop a common approach and set of criteria.

#### Increase U.S. Private Sector Participation

The legislation establishing the fund would lay down certain criteria for deciding which projects the fund should support. One of those criteria should be that projects supported by the fund should receive a minimum percentage of their funding from private sources. This requirement would force the sponsoring agencies to develop partnerships with private companies or other non-governmental organizations. These partnerships would not only ensure increased leverage from federal funding, but would also subject the sponsoring agencies to a certain marketplace discipline. Private firms and organizations would also be encouraged to take the initiative in developing projects that they would then propose to one or more agencies for joint sponsorship.

#### Maximize Leverage from Host Country or Other Foreign Sources

The legislative criteria for grants from the fund would require the management committee to give preference to those projects which also had public or private support from host country or other foreign sources. Host country support could include legal or regulatory changes as well as the provision of financing and other resources. An energy efficiency project in Bombay that was co-funded by the World Bank and included electricity pricing reforms and building code changes as well as demand side investment commitments from the local electricity authority, for example, would be given preference over a similar project in Beijing that did not have these features. This criterion would further increase the leverage on the federal dollars committed to the fund and expand the commercial opportunities for participating U.S. firms.

#### Introduce Competition into the Allocation of U.S. Development Assistance Funds

Officials in different federal agencies have a natural tendency to allocate funds based on the need to preserve relationships that are bureaucratically convenient to them rather than on the

need to get the greatest bang from the federal buck. For example DOE will have a natural tendency to favor the national labs under its jurisdiction in supporting projects under the ADEPT program. By requiring different agencies to compete for project funding from a common pool, the sustainable development fund mechanism would offset this tendency and force individual agencies to develop new relationships in the interest of cost-effectiveness. These new relationships will in turn reinforce the trend towards greater interagency cooperation referred to above.

### Minimizing the Need for Congressional Earmarking

Congress has seen the need to micromanage U.S. foreign assistance, in large part in order to impose its own policy priorities on the Executive Branch. A recent report from the Carnegie Commission on Science, Technology, and Government points out that the Foreign Assistance Act of 1961 has now been amended over 30 times and contains 33 objectives.<sup>3</sup> AID itself has identified 75 equal priorities for American development programs. American government programs must respond to over 100 "most important" goals.<sup>4</sup> The micromanagement problem is further compounded by complex reporting requirements. Present legislation contains 288 reporting requirements leading to over 700 Congressional notifications a year. The Congress has four primary committees, 17 other committees, and 20 subcommittees with explicit authority to become involved in U.S. supported activities in developing countries.<sup>5</sup> This degree of over-accountability would challenge even the most brilliant AID management to make cost-effective use of the agency's resources.

The sustainable development fund mechanism could be an important first step in reducing micromanagement while improving overall accountability. In addition to laying down specific criteria for choosing among competing project proposals, the enabling legislation for the fund could establish a sustainable development "charter" or broad set of principles to guide the management committee in making disbursements from the fund. The management committee would report annually to the Congress on the activities of the fund, enabling the Congress to make an overall judgement on how well the committee was carrying out its statutory mandate. If the experiment was successful, an increasing portion of AID's resources could be programmed into the fund, possibly including a portion of the security assistance funding now directed to Israel, Egypt, Pakistan and other favored countries.

To return to an earlier theme, perhaps the most important overall benefit of the fund would be to give the State Department, and particularly the Undersecretary for Global Affairs, greater leverage in implementing an overall U.S. sustainable development strategy abroad. The ability to back-up U.S. proposals by project funding from both government and industry would greatly enhance our ability to shape the international agenda. The fund's encouragement of greater collaboration with foreign governments, non-governmental organizations and international organizations on specific projects would help us construct integrated international approaches to climate change and other global problems. Finally, just as the Global Environment Facility has begun to change the culture of the World Bank, the U.S. sustainable development fund could help change the culture of the U.S. government.

#### 4. Reinforce the Lead Role of the State Department in Multilateral Negotiations

In recent years the State Department's ability effectively to represent the U.S. in multilateral negotiations on global issues has been impeded by the perceived need of other agencies "to keep their hand in" in order to ensure that their particular interests are not disregarded. U.S.

delegations to international meetings have grown to enormous size as 10 to 15 different agencies insist on being separately represented. Internal negotiations within the U.S. delegation can be more acrimonious and time consuming than negotiations with foreign countries. At the same time, the U.S. head of delegation sometimes lacks the necessary technical support because the available slots are taken up by policy people.

This problem is not unique to the U.S. and in part reflects an unavoidable and sometimes healthy tension among different agencies. But it can be minimized by creating an effective interagency process that integrates domestic and foreign policy and by assigning appropriate support roles to different agencies. With respect to the former, the President should assign domestic and foreign policy issues related to the sustainable development agenda to a single cabinet level council. In the area of waste management, for example, the council would consider policy options related to both RCRA reauthorization and transboundry shipments of hazardous waste. This council would have a number of working groups reporting to it, one of which would be charged with developing terms of reference for multilateral negotiations on sustainable development issues and would be chaired by the Undersecretary for Global Affairs. An integrated interagency process of this type would minimize the scope for subsequent conflicts among agencies over the conduct of negotiations.

With respect to the latter, individual agencies should be given appropriate international roles that maximized their contributions to the government's overall strategy. EPA would provide technical and management assistance on pollution prevention and clean-up. DOE would organize and implement energy-related technology cooperation projects. AID would provide staff support for the new sustainable development fund through a new Bureau for Sustainable Development. All would be represented at each level of the interagency process and on the management committee of the sustainable development fund, but would leave multilateral negotiations to the State Department.

In conclusion, I have suggested a number of specific steps that I believe would strengthen the U.S. government's ability to address population, environmental and other global issues. Collectively these steps would combine the financial and other resources of the U.S. government with the resources of the private sector and other countries in carrying out an integrated sustainable development strategy under the leadership of the Department of State.

#### 1. OECD 1992

- 2. Alan S. Miller et al., Policy Response to Global Warming: The Challenge to U.S. Competitiveness in Important Global Markets, Draft Report to EPA, 1992.
- 3. Partnerships for Global Development: The Clearing Horizon, A Report of the Carnegie Commission on Science, Technology, and Government, December 1992, p.86.
- 4. Ibid.
- 5. ibid.

## STATEMENT BEFORE THE SUBCOMMITTEE ON INTERNATIONAL OPERATIONS HOUSE COMMITTEE ON FOREIGN AFFAIRS FEBRUARY 23, 1993

## JACK MENDELSOHN DEPUTY DIRECTOR THE ARMS CONTROL ASSOCIATION

Mr. Chairman and members of the Committee. I appreciate your invitation to discuss the future of the Arms Control and Disarmament Agency (ACDA) and its role in the formulation of arms control policy.

#### I. The Arms Control Agenda

In its recent report -- <u>State 2000: A New Model for Managing Foreign Affairs</u> -- the State Department management task force argues that "The era of prolonged, painful and highly politicized arms control negotiations with a superpower adversary are over. The bureaucratic resources needed for such negotiations have markedly diminished. Nonproliferation and arms control policies are increasingly converging." The report goes on to note that "a comprehensive system of checks and balances on proliferation and arms control issues has rapidly developed" within the USG and it questions whether "an independent agency such as ACDA still performs a needed role."

I think this is an inadequate historical analysis and an inaccurate bureaucratic conclusion. ACDA was not created to undertake "negotiations with a superpower adversary" and the collapse of that adversary has neither diminished the need for arms control nor conflated arms control and nonproliferation. If anything, the arms control agenda has expanded as the East-West confrontation has eased. Arms control efforts are now directly concerned with more than the limitation, reduction, nonproliferation and non-transfer of nuclear, chemical conventional weapons (which in itself is a healthy agenda). Arms control has also begun to devise confidence-building regimes and to address the prevention and resolution, peaceful or otherwise, of third-party and regional disputes. And with the end of the Cold increased for the negotiation, War, opportunities have implementation and monitoring of unilateral, bilateral, and multilateral arms control agreements covering everything from nuclear testing to warhead elimination and plutonium storage facilities.

In pursuing these tasks, arms control touches upon the most vital and most bitterly contested area of national security. To pretend -- as the  $\underline{State\ 2000}$  report does -- that the bureaucratic system can now function better without an independent arms control

voice downplays the extent of the current arms control agenda and flies in the face of all we know about the way executive branch policy is actually made.

## II. The Utility of an Independent ACDA

There are two principal arguments in favor of an independent ACDA. First, for informed decision making, the executive branch needs — and should welcome — a strong and clear arms control voice in senior interagency debates. In many areas, the interests of the Defense and State Departments in supporting programs or clients often conflict with existing arms control policy. This was the case in the debate over the "reinterpretation" of the ABM treaty to permit a more vigorous SDI program and in the "certification" of Pakistan to keep it eligible for military assistance. In both instances, ACDA was the only agency within the executive branch to oppose the decisions and keep the issues under continuing review and discussion.

Secondly, an independent ACDA can be a useful bureaucratic ally both of the State Department and the White House/NSC by providing a broader spectrum of arms control options from which to forge policy. Put more bluntly, when ACDA champions a position to the "left" of the Department of State, it affords the executive branch a larger middle ground on which to build an inter-agency compromise. When used this way, as it was in the first Nixon and Carter administrations, ACDA can be a useful and important bureaucratic tool for policymakers.

#### III. ACDA's Bureaucratic Power is Basically Derivative

It is a fact of bureaucratic life that ACDA's power and importance is basically derivative. Without a large budget, popular social programs or an organized domestic constituency, ACDA can exercise "clout" within the bureaucratic process only when it is perceived by the other agencies to be a major policy player. And it will be viewed as a major player when its Director is recognized to be a serious individual with access to the Secretary of State and/or President and as long as that Director is supported by a competent and knowledgeable professional staff.

If the President or the administration choose not to assign this bureaucratic respectability to ACDA, the agency will be a much less effective, less powerful voice in policy councils. This, unfortunately, has been the case for much of the past 12 years when ACDA's Directors, whatever may have been their personal merits, either were denied access, proved antipathetic to arms control, or assumed positions to the "right" of the State Department. As ACDA's prestige in policy councils declined, it lost many excellent

staff officers to other agencies: the State Department's most senior Advisor for Strategic Policy, the Energy Department's Director of the Office of Arms Control and Non-Proliferation, and the On-Site Inspection Agency's Deputy Director, to name just a few, are all refugees from ACDA. But even in these less favorable times, ACDA performed a valuable service: it was the lead agency in the successful pursuit of the CWC, it remained the lead drafting agency (it was responsible for START I and II, INF, TTBT, PNET, Open Skies, and the CWC [chemical weapons convention] treaty texts), and it did much of the basic analysis and design for the on-site verification regimes of the late 1980s.

#### IV. What Should Be Done?

The arms control agenda remains a full and challenging one across a broad range of issues. Clearly, in dealing with these issues, arms control should have a strong, clear voice in the executive branch both to make a substantive contribution and to increase bureaucratic flexibility in the decision making process. An independent ACDA, headed by a respected Director with "access" and well staffed with professionals, will ensure that a full range of options is presented to the President. But what if the executive branch chooses not to empower ACDA and the agency continues to be marginalized? What then should be done?

For the reasons outlined above, I believe marginalizing and/or disestablishing the Arms Control and Disarmament Agency would make national security decision-making more difficult for the White House/NSC. For example, in discussions within the executive branch regarding the initiation of negotiations for a CTB (comprehensive test ban), serious military and technical objections to the ban are being posed by major agencies (OSD, JCS, DOE). Assuming the NSC wishes to be responsive to legislation on this issue, its will have to rely on the State Department to marshall both the political and the technical arguments within the executive branch, as well as to conduct the negotiations and draft the treaty. This is, of course, not an impossible task. But it would clearly be advantageous to the executive branch to have an additional bureaucratic ally -- and an independent technical resource -- involved in the arms control process.

#### V. Arms Control Within the State Department

Certainly, if the executive branch opts to disuse or disestablish ACDA, the republic will not fall. Responsibility for arms control process will pass to the State Department (where a "generalist" culture has not been particularly hospitable to technical experts). In that case, every effort should be made to give arms control a voice at the highest possible level. As

currently envisaged in the <u>State 2000</u> management study cited above, an arms control and proliferation bureau would be created with an assistant secretary as the most senior arms control official. It would share an Under Secretary with another bureau whose responsibilities — as well as those of the Under Secretary—would include peacekeeping operations, defense relations, munitions sales, burden sharing, special programs such as assistance on dismantling nuclear weapons and science centers in the former Soviet Union, and traditional political—military matters.

If State is to acquire ACDA's portfolio, I think it would be far better to dedicate an Under Secretary specifically to arms control and proliferation issues so these matters can receive the time and attention they require and be brought directly to the Secretary for consideration. In addition, some changes in "generalist" culture will have to be made for State to attract and retain the top-flight technical expertise necessary to backstop the Secretary on some arms control issues (e.g., CTB, ABM/SDI, verification, warhead dismantling, etc.,). Last, but not least, the experienced treaty-drafting office in ACDA should be retained somewhere in the Department, as should the agency's forward planning capabilities and institutional memory.

#### VI. Conclusion

I think it would be a mistake for the executive branch to seek to disestablish — or continue to disuse — ACDA. I agree with the conclusion reached in a study of the agency (entitled New Purposes and Priorities for Arms Control) undertaken last year by the ACDA Inspector General: "It remains important to the nation to have a specialized, technically competent arms control institution. A separate agency is the more promising solution to retaining continuity, enhancing technical expertise, fostering innovation, and providing an independent perspective on arms control issues."

With a respected and experienced Director, and the confidence of the White House, ACDA can play an important role in policy formulation. If the decision is taken to abolish the agency, arms control should be given its own voice at the highest possible level within the State Department —— the Under Secretary. The process will be poorer without an independent agency dedicated to fostering arms control, but the nation —— and the executive branch —— will surely survive.

#### THE DEPARTMENT OF STATE AND NON-GEOGRAPHIC ISSUES

Testimony Prepared by

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for presentation to the Hearing on Organizing for International Affairs in the 1990s Subcommittee on International Operations House Committee on Foreign Affairs February 23, 1993

I appreciate the opportunity to testify before you today. You have posed an important question: how the Department of State might be brought to stretch its policy focus beyond emphasis on US bilateral or geographic relationships, to a greater degree than it does at present. This is a good and tough issue, and I come with no easy answer. But perhaps I can be helpful in sorting out the issues.

I would begin by recognizing the basic reason why the State Department stresses country and regional issues: that is the way most of the peoples and countries of the world perceive issues and expect to be dealt with. Even in today's world of cross-cutting, functional issues, State's primary responsibility, the one that most clearly distinguishes it from other departments, is for the general representation of US interests abroad, above all to individual foreign countries. Moreover, it is in this sphere of activity that the State Department typically has the lead role among the many US agencies engaged in international policy. Unlike Agriculture, Treasury, Commerce, or the Environmental Protection Agency, State is formally charged with considering the totality of our foreign relationships.

Agencies tend to stress their primary responsibilities, particularly when their power is importantly derived from them. The Department of State is no different.

Now having these country relationships well-tended offers obvious benefits to the U.S. position in the world. We should not forget that there are very many issues that are handled efficiently within bilateral or regional frameworks. Moreover, successful pursuit of cross-cutting functional issues requires effective management of specific bilateral and regional relationships. That being said, overemphasis on geographic ties can carry at least three significant costs:

- a) country experts can become country advocates, over-emphasizing the importance of short-term (or long-term) U.S. relations with the governments with which they deal;
- b) as a consequence of (a), U.S. interests cutting across geographic regionse.g., nuclear proliferation, environmental degradation, export expansion, human rights, narcotics and terrorism--may not be given sufficient weight in departmental thinking and action; and
- c) as a consequence of (b), geographic officials--or State officials in general--may have an even harder time than they would otherwise have in gaining entree to Washington decisionmaking on these cross-cutting issues, resulting in failure of our government to give geographic factors due weight.

So there are two problems. The first is the department's tilt, its tendency to overemphasize geographic perspectives. The second is that other parts of the government may react by resisting State input and therefore give short shrift to the need to build bilateral and regional coalitions to support the policies in which they are interested. The need, therefore, is not just to strengthen the weight given to crosscutting U.S. interests, but to do so in a way that does not exclude country or region-specific expertise. The question is how. Focusing specifically on the State Department, how can this be achieved?

One way, of course, is through the personal engagement of the Secretary. If he leads on a cross-cutting issue, department officials will leap at the chance to be involved, particularly if the Secretary acts with a clear Presidential mandate. In practice, however, this solution only works for the handful of issues in which he becomes deeply engaged. And because the personal involvement of the Secretary is heavily conditioned by international crises, these tend to be bilateral and regional issues.

For the bulk of issues, therefore, the main way State gives priority to concerns which cut across geography is through the day-to-day operations of its so-called functional bureaus, which were created explicitly for this purpose. These include, of course, Politico-Military Affairs, Economic and Business Affairs, Oceans and International Environmental and Scientific Affairs, Human Rights and Humanitarian ffairs, International Narcotics Matters, and Refugee Programs. These units are obviously critical--not just as repositories of State Department expertise, but as focal points for inter-agency dealings. Unlike the regional bureaus, however, the functional bureaus do not typically have government-wide leadership on "their" issues. There are partial exceptions: arms sales and arms control come to mind. But in general, these functional bureaus must defer to USTR on trade, Treasury on international money, and the Pentagon on troop deployments. Often they must fight to get

engaged in such issues at all. And they often have difficulty tapping the expertise and leverage which the geographic bureaus might contribute.

How can these functional units be strengthened? One way would be to manage the foreign service selection and promotion system so as to increase rewards for those with cross-cutting expertise, be it economic or political-military or scientific. More ambitious, and also more helpful, would be to increase the flexibility of the personnel system government-wide, so that qualified officials, whether foreign service or civil service, could move back and forth easily between all the Cabinet departments. This would greatly increase the pool of available expertise and bring about continuing cross-fertilization. The foreign service might find this threatening, but should recognize that it would offer both organizational and career advantages over time. Other agencies would also benefit from greatly increased personnel interchange, as their own responsibilities pull them more and more into the international arena.

A second step is organizational consolidation—to reduce the number of functional units, and the number of free-floating officials and special advisory offices reporting in theory to the Secretary and in practice to no one. Here the reform package announced by Deputy Secretary Wharton seems a clear step in the right direction. While the new administration has created a new special unit of Ambassador-at-Large for the Newly Independent State, it is pledged to abolishing many others that may have once filled a need but now offer, at best, hunting licenses for their occupants.

A third, and arguably most important step is to upgrade the level and authority of the senior officials with cross-cutting portfolios. And here, the new State reorganization promises a further step in a long-evolving process. In Dean Rusk's Department, there was just one functional Under Secretary, who could cover Political or Economic Affairs. In 1971, the statute was amended to create Under Secretaries for both. A few years later, Congress established a new Under Secretary position to coordinate arms sales, with that position evolving into the broader responsibility for international security affairs that the Wharton reorganization confirms. And now there is to be a new Under Secretary for Global Affairs, Senator Tim Wirth. Moreover, these officials now all have line responsibility over the assistant secretary-led bureaus, the geographic ones included.

This does not, however, resolve the question of integrating geographic and functional perspectives. Indeed, if taken literally the new organization simply elevates the problem, since it gives all bureaus, whether regional or functional, a line of appeal upward to their "own" Under Secretaries.

Again, what to do? First, we should recognize that any resolution will be imperfect. There are real-world tensions between "geographic" and "functional" agendas: State has a built-in organizational tilt toward the geographic. Both of these

will almost certainly persist, whatever organizational steps are taken. This means that State's role in functional issues may continue to diminish. In a world where economics has become central, and the domestic/international policy boundary is fading, State will not replicate overall US engagement in the world as much as it once did. State has always, to some degree, resented the "encroachment" of other agencies into international affairs. A more productive approach is to recognize the deep-seated reasons for this development and work with these agencies to make it successful.

Second, we must realize that the handling of hot issues will drive much of the process. What the President emphasizes, who he and the Secretary rely upon, and to some degree what key committees of Congress stress--all these will exert an important, and perhaps more than transitory pull. Hence the importance of hearings such as this one, if they are followed up in ways that convince State leadership that this is something members of Congress think is crucial.

Third, we should not rely overly on the "line authority" of the Under Secretaries to set matters straight. This is useful--it reduces the chance that they will be free-floating individuals unable either to move the bureaus or connect to the Secretary. But the hard issues will involve the responsibilities of more than one Under Secretary. While it will desirable in almost all cases for a particular Presidential appointee to have the lead, simple assertion of hierarchical authority will not resolve the problem. A number of important issues will need to be staffed out across bureaus and Under Secretaries and presented to the Secretary for formal decision--with a comprehensive options memorandum which faithfully represents competing perspectives and interests. But such processes are time-consuming and difficult to manage to everyone's satisfaction. Moreover, they may load more issues on the Secretary than he has time to address with the care required. The best approach on day-to-day issues, therefore, is good collegial relationships at this level which will reduce the need for these officials to defend their "turf" and allow more day-to-day leadership by assistant secretaries--geographic and functional--and more decision-making by under secretaries.

Informal coordination of this sort works far better, of course, if there is agreement on who the relevant officials are, and if they are limited in number. This underscores the need to clear away accumulated bureaucratic growth--not just above the bureaus but within them as well. One should take a hard look at such things as regional offices within the functional bureaus and functional units within the regional bureaus. For example, there is a need for individuals in the European bureau with responsibility for regional economic and security issues, but not necessary for large offices which inevitably compete with counterparts in the bureaus for economics and politico-military affairs.

One final point: streamlining at State can help; so can strengthening of officials with responsibility for cross-cutting issues. But the department cannot be viewed in isolation, for these issues are almost always inter-agency ones, whether under the NSC system or within the orbit of the new National Economic Council. Unless State officials are sensitive to the legitimate concerns represented by other agencies, they are likely to become marginal players. The same may be true unless White House staff coordinators and cross-town counterparts see State involvement as part of the solution, not part of the problem.

## CHALLENGES TO FOREIGN POLICY-MAKING IN THE 21ST CENTURY 1

by

Maurice A. East, Dean Elliott School of International Affairs The George Washington University \*\*

#### Introduction

This is a very propitious time to be reconsidering the organization of the United States' foreign policy making system and structure.

- $\mbox{-}\mbox{A new administration has opportunities to reorganize that an ongoing administration does not$
- ${\sf -}$  The enormous changes that are taking place in world affairs make it more and more obvious to more and more analysts and policymakers that a thorough re-examination of our foreign policy-making structure is in order
- The current challenges and opportunities facing U.S. foreign policy strain a system that was built up in response to a different set of challenges and opportunities.

The need for a fundamental re-examination of the U.S. foreign policy making system predates the 1992 Presidential election. Several noteworthy studies were underway well before then.  $^2$ 

#### Learning from Others

In adapting U.S. foreign policy making to an increasingly interdependent post-Cold War world, it is useful to examine more carefully and systematically the experiences of other nations as they have had to grapple earlier on with very similar problems.

Because of the size and unique role of the U.S. — as one of only two superpowers during the Cold War and now the sole remaining superpower in the post—Cold War world — the U.S. has been able to ignore with relative impunity some of the pressures and forces for change emanating from a complex interdependent world.

<sup>\*\*</sup> Submitted to the Subcommittee on International Operations, House Committee on Foreign Affairs, U.S. Congress, Feb 23, 1992.

Other countries have not had this luxury. They had to face long ago the need to  $% \left( 1\right) =\left( 1\right) +\left( 1\right) +\left($ 

- $\mbox{-}$  deal effectively with the global economic agenda as a foreign policy issue
- integrate more expertise and specialization into what were primarily closed, elitist, and generalist foreign services
- allocate increasingly scarce financial and human resources across a larger number of organizations and agencies central to the nation's foreign policy.

For the past several decades, researchers have been studying foreign policy-making using comparative cross-national analysis. We have asked how nations of various types and in various situations handle their external affairs. Without trying to say that nations such as Mauritius and the United States are comparable in all respects, it is useful to see how different foreign ministries have dealt with similar problems in their external affairs. What sorts of problems and solutions are being considered elsewhere? Are there patterns of actions that nations have taken in response to these changes? What sorts of successes and failures have there been?

At the outset, there is one finding of this research that is central to our discussion here. As we examine many large and small countries in both the developed and developing world, we find a growing and very real concern on the part of policy-makers and scholars alike for what is now being referred to as a national policy perspective on foreign affairs. All too many academic studies (including my own) and government commissioned reports have focused too narrowly on the sub-national level, and most frequently on the foreign ministry alone. The academic question has often been how is the foreign ministry doing? How is the State Department doing? Today, more and more we see national level policy-makers and legislators are expressing an unhappiness with the output of the foreign policy making system as national policy. There is a strong desire in many countries all over the world to adjust their foreign policy-making systems in order to achieve a more coordinated, more coherent national foreign policy.

These national level policy-makers and legislators are less interested in the various sub-national units making up the foreign policy-making system. It is the outcome of that system, the making of national foreign policy, that is of concern, not the status and well being of the components of the system.

In the context of this heightened interest in national policy outcomes, questioning and examining the role of foreign ministries in the national foreign policy-making system is very critical.

#### The Changing Role of Foreign Ministries

The changing role of foreign ministries in the policy system can be examined from three different perspectives: (a) vis-a-vis other government agencies; (b) vis-a-vis the constant growing number of international actors, especially non-state actors; and (c) vis-a-vis relations within foreign ministry itself. The primary focus will be with regard to the relations between foreign ministries and other government agencies. When trying to describe the changing role of foreign ministries in the policy-making system, there is much similarity to describing the role of the United States in the world today. For most countries, there is little doubt that the foreign ministry is still the dominant government agency in foreign policy-making. But it is not nearly as dominant as it was previously. Power in foreign policy-making has become more diffuse, just as power in international affairs has become more diffuse.

#### The Proper Allocations of Resources

In a large number of countries, the total amount of resources that the central government dedicates to the conduct of foreign affairs and activities abroad in all agencies has grown. In some cases the growth has been quite significant. At the same time, the relative proportion of those funds that are controlled by foreign ministries is often diminishing. With regard to the United States, there are several relevant questions:

- (a) Is the United States spending an appropriate amount to project United States policies and interests abroad?
- (b) Is the amount spent being allocated appropriately within the foreign policy-making system?

Is the share that the State Department is getting too small, too large, or about right? Could it be the case that the total amount of money allocated to U.S. foreign policy is about right? That the amount for The State Department is about right also, even though this amount might be decreasing relevant to other agencies involved in foreign policy-making?

#### Coordinating Foreign Policy-Making

The very large size of the US foreign policy-making system and the large size of the State Department itself creates some unique problems when attempting to improve the coherence and coordination of policy. At the same time, this large size allows for solutions that are unavailable to smaller systems. For example, in a large foreign ministry, it is possible to attempt to improve coordination of foreign policy-making by having in-house specialists on many issues. This is virtually impossible in many smaller countries. In the foreign ministry I know best, the Norwegian foreign ministry, it is extremely difficult to find and then retain in the foreign service good people with highly specialized knowledge on various issues relevant to Norwegian foreign policy. Even though energy is a critical issue-area for Norway, there are too few energy experts in the country, and these folks are working mostly in the oil and energy ministry and in the private sector. It is difficult for the foreign ministry, without sufficient energy expertise, to maintain a dialogue and to work effectively with these other oil and energy specialists in other ministries and the private sector to formulate Norwegian energy policy.

My impression of the United States foreign policy-making system is that there are many more instances where the components in system, e.g., the State Department, have overlapping expert capacity to deal with technical areas — more agriculture expertise, more energy expertise, distributed throughout the foreign policy system than is the case in most other countries. This situation raises two questions: Does such overlapping expertise contribute to more coordinated national foreign policy? And is the cost of this duplication within the government worthwhile?

In some countries, the existence of overlapping expertise has made it less likely that various ministries would interact and exchange information on issues, because the ministries feel they have sufficient expertise in-house and do not need to rely on or work with other ministries. To the extent that this is true, the added expense of maintaining duplicate expertise within a government needs to be examined.

One aspect of today's complex interdependence is that there are many players in the foreign policy-making game. This accounts in part for the diffusion and fragmentation in the system that national level policy-makers and legislators are concerned about. Two aspects of this are (1) the domestication of foreign policy and (2) the internationalization of domestic politics. Both of these have a definite impact on the role of foreign ministries.

#### Domestication of Foreign Policy

Given the increasing impact of foreign policy on domestic affairs, many if not most of the actions and activities of foreign ministries can no longer be ignored by domestic ministries. Labor ministries, energy ministries, agriculture ministries must all be attentive to and involved in foreign policy-making in order to carry out their normal duly mandated functions. This is the case much more so today than 20 or even 10 years ago. And this accounts in part for the large increase in the number of new players in the qame.

#### Internationalization of Domestic Politics

At the same time, there is an internationalization of domestic politics, which means that almost every agency in the government has an international division. Growing numbers of persons in these domestic ministries feel quite competent to operate internationally in their subject matter areas. The question of how and when these domestics ministries need the assistance of a foreign ministry or need to inform them is at the crux of many of the most serious coordination issues in foreign policy-making.

#### Models for Coordination

There are several models of coordination that have been utilized elsewhere to bring greater coherence to foreign policy—making. One is the dominant sector model, where a particular ministry or governmental agency is given the responsibility and authority for coordination in a particular issue area. Another is the interdepartmental model. This is used frequently here in the United States and involves various arrangements whereby members representing different departments and agencies meet in interdepartmental groups. My experience has been that parliamentary governments tend to look very negatively upon the interdepartmental model. They see it as being inconsistent with the essence of the parliamentary system with its politically strong cabinet members being responsible for specific areas of interest.

A form of coordination that is receiving increased attention in many countries is coordination from the top, meaning at the level of the heads of state. This is a natural consequence of the dissatisfaction of national political leaders with the fragmentation and lack of coordination in foreign policy-making mentioned at the outset. The head of state takes direct steps to try to fix the situation. This has led to a growth in the foreign policy and international affairs capabilities found in the executive offices of heads of state in many countries around the world. It should be noted that increasing the capabilities of a head of state in a parliamentary system of government is a much more problematic partisan political undertaking than it is in a

presidential form of government. The cabinet members in a parliamentary government are partisan or coalitional rivals of the head of state, and they do not relish building up a rival's political power.

The United States is seen as the preeminent model for building up the executive office around the head of state. It is seen as both good and bad. References to the role of the U.S. President's National Security Advisor are often accompanied by remarks about dysfunctional battles between the Secretary of State and the National Security Advisor. But there is also recognition that this capability in the President's office can be useful in bringing about coordination and coherence in foreign policy. Discussion about expanding the role of the National Security Council to encompass a broader, more integrated set of domestic and foreign policy issues is another example of this pattern.

#### Transnational Issues and Multilateral Actors

Two characteristics of the complexly interdependent post-Cold war world are the increasing importance of transnational or global issues and the increasing role of multilateral organizations in international affairs.

Functionally oriented international organizations are often interacting directly with domestic ministries in a country on a variety of transnational issues. They often do this without going through the foreign ministry. This represent a growing proportion of the direct international linkages of a country. And the objectives of foreign ministries with regard to such issues are likely to be very different from those of the domestic ministry or the international organization. In general, foreign ministries are rather poorly set up to deal effectively with international organizations as actors. Foreign ministries are much more comfortable dealing with issues where the major actors are other foreign ministries and nation-states. Recent discussions of an undersecretary for global issues in the State Department as well as integrating multilateral affairs and diplomacy with the regional bureaus are both positive developments.

#### Factors Internal to Foreign Ministries

Finally, there are numerous internal factors in foreign ministries themselves that affect the foreign policy-making system. The debate over generalists vs. specialists is still very real and very difficult to deal with. All too often generalists from foreign ministries are dealing and negotiating with specialists from domestic ministries or international organizations. This is not always an advantageous situation for foreign ministries. At

the same time, the foreign service culture, professional traditions, the recruitment system, and the rotational assignment system are still major barriers to the recruitment and the retention of true specialists in foreign ministries.

The rotational assignment system for professional foreign service officers is often disadvantageous to foreign ministries when it comes to the daily pulling and hauling that goes on between the foreign ministry and other domestic ministries. Foreign ministry personnel who have spent as much as three-quarters of their time outside of the country are not as knowledgeable and politically effective and experienced in the political dynamics that determine budgets and missions and turf battles as their colleagues in domestic ministries who have spent those same years working the parliament, the bureaucracy, the interest organizations, and even the cabinet itself.

The lack of incentives for foreign service offices to acquire and maintain expertise in specialized areas and the barriers to bringing in non-foreign service personnel to provide such expertise is a distinct disadvantage when dealing with complex multifaceted issues outside the traditional diplomatic realm.

Finally there is the perennial tension between the need in the foreign policy-making system for efficient managers and for excellent analysts and diplomats. Foreign ministries all over the world have recognized time and again the need for persons who can manage foreign affairs issues and the foreign ministry itself in a professional manner (and who want to do this!) At the same time, there is a universal fear that only foreign service professionals are able to understand and manage foreign ministries. This conflict, together with a reward structure that does not weigh management skills highly and a failure to recognize the need to infuse modern information and communications technology into the system, has affected foreign ministries negatively and has reduced their overall effectiveness in the foreign policy-making system.

This less than comprehensive overview of some of the opportunities and challenges for foreign policy-making in the post-Cold War world was based on studies and analysis of foreign ministries all over the world. To the degree that there is relevance to the U.S. foreign policy-making system and the U.S. Department of State, this demonstrates that there is a common set of factors affecting foreign ministries around the world. Specific concerns of the United States Department of State may differ here and there. But there is a core of common concerns evident as we examine foreign ministries around the world. Their experiences are relevant to our search for an improved foreign policy-making process.

## ENDNOTES

- 1. This builds upon remarks made at a meeting in Washington, DC of the American Foreign Service Association in October 1990.
- 2. Relevant studies include among others:
- THE FOREIGN SERVICE IN 2001 (Institute for the Study of Diplomacy, Georgetown Univ: Aug 1992)
- CHANGING OUR WAYS: AMERICA AND THE NEW WORLD (Carnegie Endowment: Spring 1992)
- HARNESSING PROCESS TO PURPOSE (Carnegie Endowment Commission on Government Renewal: Nov 1992)
- STATE 2000: A NEW MODEL FOR MANAGING FOREIGN AFFAIRS (U.S. Dept of State Management Task Force: Dec 1992)

## THE MISSION OF U.S. PUBLIC DIPLOMACY

## WEDNESDAY, MARCH 10, 1993

House of Representatives, Committee on Foreign Affairs, Subcommittee on International Operations, Washington, DC.

The subcommittee met, pursuant to notice, at 2:02 p.m., in room 2255, Rayburn House Office Building, Hon. Robert E. Andrews,

presiding.

Mr. Andrews. Ladies and gentlemen, I call to order the meeting of the Subcommittee on International Operations and welcome you this afternoon. I would like to welcome our very distinguished panel of witnesses.

I am informed that my colleagues on the committee are on route or in other business, but I will be joined by several of them as the

afternoon goes on.

I am sure that each of you has more extensive experience at these hearings than I do. As a matter of fact, I am sure virtually everyone does, and you know that you should not in any way feel slighted or put out by the fact that everyone is not here. There are lots of things going on, and the lack of everyone being here is not

an indication of lack of interest in what you have to say.

Since this subcommittee last went through a reorganization process, it has become a cliche, but an accurate statement nevertheless, to say that the world has changed very dramatically. I guess the way it was most drawn home to me is that I visited an elementary school about 2 weeks ago in my district in New Jersey, and I did not recognize the map on the wall. I did not recognize many of the names on the map on the wall, because the countries that were there and the states that were recognized would not have been on that same map merely 4 or 5 years ago, and it is a dramatic way to understand something that is obvious to those of you that are experts in this field, for a layperson like myself to realize that the face of the world has changed quite literally.

One of the things that this subcommittee and the full committee under Chairman Hamilton's leadership is attempting to do in the new Congress is to reexamine critically the approach of this country toward the conduct of its international affairs in light of these changes in the world. It is an overstatement, but there is some

truth, I think, in understanding the following schema.

There are some of us who instinctively are still patterning our questions and our answers about international affairs on the basis of the bipolar superpower competition that predominated world affairs since the end of World War II. Old habits die hard. And our

policy and perhaps much of our organizational structure in our gov-

ernment is still predicated on the existence of that world.

The other extreme is people who would equate the absence of the threats that used to be with us, or were with us more intensely, with the absence of risk and threat altogether—people who equate the disappearance of the Soviet Union as a competing superpower with the proposition that the world is much less dangerous, diplomacy is much less necessary, and that this country can afford to turn inward and ignore its responsibilities on the issues of international affairs.

I would reject either of those two propositions and instead suggest that under Chairman Berman and Chairman Hamilton this committee is doing the right thing by examining the realities of the new world in which we are living, examining the new manifestations of risk in that world, and perhaps even more importantly, examining the new opportunities that exist in this world. It is quite accurate, I think, to say that for the first time in this century it is a plausible and responsible position to say that the number one issue on the agenda of the nations of the world, many of the nations of the world, is finding new and creative ways for us to work together rather than finding new and creative ways for us to destroy each other. That is a remarkable proposition and one that we should celebrate every day—but more than celebrate, we should analyze and think about.

One of the areas in which we need to perform that analysis is the whole question of our public diplomacy, the whole question about what kind of public diplomacy this country ought to engage in—what kinds of structures ought to be carrying forth that diplomacy, how they should be organized, what the relationship is between the formal public structures of public diplomacy within the government and the less formal, more creative and privately driven structures outside the government, be they international organizations, private corporations, nonprofits, academic institutions, or

just individuals acting in a way that they see fit.

So we are interested in hearing from this afternoon's panel about not only ways that we might reanalyze and eventually restructure our public diplomacy to deal with risk in the new world, but I think even more importantly ways that we might reanalyze and restructure our public diplomacy to deal with opportunity in the new world, ways that we might take advantage of and exploit this wonderful gift that has been given to us in this decade and this generation

So we will begin with Mr. Penn Kemble, Senior Associate from the Freedom House.

Welcome, Mr. Kemble.

[The prepared statement of Mr. Berman appears at the conclusion of the hearings.]

## STATEMENT OF PENN KEMBLE, SENIOR ASSOCIATE, FREEDOM HOUSE

Mr. KEMBLE. Thank you very much, Mr. Andrews.

We at Freedom House are very grateful for the opportunity to be able to participate in this hearing. We think it is very important. Also I personally want to thank this committee and members of its staff for the great assistance they gave to me in working on the transition at USIA.

I speak here strictly as a representative of Freedom House, but suspect that my involvement with the USIA transition had something to do with the fact that it was thought appropriate that I

come here to talk about this subject.

Mr. Andrews, you quite insigntfully raise as a key point before this hearing, whether public diplomacy is a relic of the cold war which now deserves to be mothballed, or is there some possibility of a peaceful conversion of our expertise and institutions of public

diplomacy to new post-cold war purposes?

An interesting proposition to examine is whether in fact it may not be the case that not only is public diplomacy still relevant to the situation we face in the world today, but that its value may actually have increased. There has been a great expansion of democracy, and a great expansion in the capabilities of communications, which are, after all, the basis on which public diplomacy rests.

Public diplomacy involves putting people first in foreign policy,

if you will forgive the borrowing, and-

Mr. Andrews. Don't stop thinking about tomorrow, I guess.
Mr. Kemble. —and we, I think, have an opportunity in today's world to turn our foreign policy much more toward a people's for-eign policy, toward a foreign policy of influencing broad publics. If we in fact do that, we may find that not only are we more effective, but that some very considerable savings can be made in our budget expenditures (which is also, I understand, a subject of some concern in these precincts.)

A few points to sum up my written testimony-

Mr. ANDREWS. Without objection, we will have your statement

entered into the record. Without objection.

Mr. KEMBLE. It is clear that the spread of ideas and information through mass communications played a key role in the victory of the democratic world in the cold war. A saying is attributed to Stalin, "How many divisions does the Pope have?" This reflects a sneering attitude toward moral and intellectual concerns in foreign policy, an attitude that in certain requests could sometimes be found in our own foreign policy and national security establishment

when it came to public diplomacy.

Even here, public diplomacy was thought of as a kind of auxiliary to the really important elements of foreign policy-military power and economic strength. But it became clear as we watched the walls fall, as we saw the crowds gather in the plazas of Eastern Europe and eventually in Russia and Tiananmen Square itself, that communications had become a driving force in the democratic revolution. President Clinton noted this in his campaign, and brought before the American people the importance that public diplomacy and support for democracy worldwide have in our foreign

Public diplomacy involves, as I am sure you know, such things as exchanges, broadcasting, the publication and dissemination of books, and various other means whereby information and the exchange of opinion are extended. It also involves the means whereby American foreign policy objectives are explained to people abroad.

The spread of information and the exchange of ideas, is a crucial basis for democracy itself. Before a country can have a democratic government, it has to have a democratic public. It has to have people who can think for themselves, who have a sense of their rights, who share an understanding about values with other democratic peoples in the world.

So public diplomacy and, in particular, mass broadcasting are crucial tools to the development of democracy itself. I make this point because I have heard people make the case that democracy-building is one field, and public diplomacy is quite another. Members of this committee may encounter this view as we discuss our

budgets. But it is impossible to separate the two.

We need public diplomacy also because, frankly, in many parts of the world we do not know who the new leaders really are. The old, traditional diplomacy involved sending out emissaries to do business with the power structures of other countries. In many parts of the world today democracy is so new that, new leadership groups have not emerged. We do not know who it may be, who from 1 day to the next will be making decisions. We may spend our diplomacy dollar more effectively by reaching out to the people of those countries, helping them to understand our interests and our values, and letting them bear the responsibility of communicating with their leaders. That may serve us better than the old clippership-era of diplomacy in which emissaries went out and met with their counterparts behind closed doors.

Another important area of public diplomacy and democracy building involves the development of civil society. By civil society we mean the array of nongovernment or quasi-government organizations that are independent, voluntary, and that in societies such as our own and virtually every other democracy make up the warp and woof of public life. Through public diplomacy our country does more to encourage the development of civil society, the basis of de-

mocracy, in other countries than it does in any other way.

Our society is especially rich in environmental groups, health care groups, community organizations of every kind. By sharing the lore and the understanding of the importance of these kinds of institutions with people in other countries, we do a great deal to en-

courage the rise of similar groups in that societies.

There is a proposal, before the new administration for the creation of a "democracy corps," agency that can send out people with special expertise in the creation of nongovernment organizations and the functioning of grass roots institutions to the new democracies of the world. I commend this proposal to you. I am very pleased that it has been proposed that National Endowment for Democracy should receive an additional \$20 million budget increase' even in these difficult times. I am very hopeful that our programs of international exchanges, including those that were passed in the last Congress under Senator Bradley's sponsorship, appear likely to go forward under this new administration.

Another point has to do with the role of broadcasting and the direct exchange of information. There is an article in today's Wall Street Journal which discusses plans in the White House making available information through television, computer access, direct on-line services to the American public. What we are wrestling

with here in our own public administration life is something of great relevance to the broader international public. The more we can make information and access to debate about public policy issues available to people directly, the more responsive government will be, and, in my view, the more U.S. interests in the world will be sustained.

We also need to develop greater strategic flexibility in the way we conduct our public diplomacy. During the cold war era we operated under a strategy of containment. We had thought to have a presence almost everywhere in the world to be ready to plug a leak, so to speak, in wherever it appeared the wall of containment.

Today, we can afford to be much more targeted. But we also need to have flexibility, and a surge capability. We do not necessarily need to have an office in every country' with people standing by to meet whatever needs arise. We can pull back a little bit if we have the capability to move into targeted areas when emergency needs

arise

Finally, I agree entirely with Mr. Andrew's introductory point: we should look at this time as a time of opportunity, particularly in the area of public diplomacy. We really are living in one of the miraculous periods of human history. This Congress, this administration, all of us will look back on our lifetimes and realize that the great democratic surge that has swept through the world is really the most important thing that has happened to us, and that we could have participated in. If we take that argument and put it before the American people, if we explain to them that it is a new time in foreign policy when greater engagement directly with peoples and with grass roots institutions is required, we will be able to get the money that we need to do the job.

Thank you very much.

[The prepared statement of Mr. Kemble appears in the appendix.]

Mr. ANDREWS. Thank you very much, Mr. Kemble.

The second witness is Leonard R. Sussman, who is Adjunct Professor in the Department of Journalism and Mass Communication at New York University.

Welcome, Mr. Sussman.

# STATEMENT OF LEONARD R. SUSSMAN, ADJUNCT PROFESSOR, DEPARTMENT OF JOURNALISM AND MASS COMMUNICATION, NEW YORK UNIVERSITY

Mr. SUSSMAN. Thank you very much, Mr. Andrews. I appreciate the opportunity to meet with you today. I, too, want to say how much I appreciated your earlier introduction of the issue itself.

Mr. ANDREWS. Thank you.

Mr. SUSSMAN. In my formal paper, which I assume will be part of the record.—

Mr. ANDREWS. Without objection, it will.

Mr. SUSSMAN [continuing]. I began by quoting a letter from John Adams to his wife in 1780. He wrote that he must study politics and war that his sons may have liberty to study mathematics, commerce and agriculture, in order to give their children a right to study painting, poetry and music.

I would say that we are in the second stage of Mr. Adams's analysis. We can concentrate less on war, more on the technologies of

peace, and, of course, on the humanities.

I have been asked to give a fairly broad overview of what the future might be like for public diplomacy, and I have done that in the longer paper. At the moment I would like to give you just a few highlights of some of the suggestions and the areas that I think are

worthy of coverage.

I think the starting point in devising any new mission for American public diplomacy should be to listen to two contemporary voices. The recent war in the Persian Gulf suggests that cultural ignorance can kill. Tens of thousands died, not only because of a dictator's aggression and intransigence. The ironic truth, and these are words attributed to President Bush's intermediary with Saudi King Fahd, the truth was that going to war had been sealed by, as he put it, "cultural misunderstanding." And closer to this room, some 6 months after that, Senator Sam Nunn, supporting a bill to create international educational trusts, said, "We put 500,000 American men and women in harm's way in the Persian Gulf because our diplomatic and policy communities were not expert in cultures and languages that encompass the regions of the world."

These, I think, are two rather sober analyses we should keep in mind. What they add up to is international education. However transmitted, education heads any public diplomacy agenda. It is the linchpin of the American vision of a democratic and humane world order. International education at its best, however, is two-way. It is interactive, and it is odd that Americans, who are not known for their reticence, have never fully valued our system of higher education, second to none, and our educational exchange programs, particularly the Fulbright scholarships, unparalleled in all history. It is time to change our self-perception and place more emphasis on the strength in our interactive capability, our public diplomacy.

And as you were pointing out, we now navigate in a world deprived of certainties such as crude oppression in the Soviet empire. We face instead uncertainties of ethnic struggles within and between newly created countries. And those societies have no tradition or adequate understanding of the complexities of democracy. The United States should expand its educational mission in those

areas of possible conflagration.

Let me be specific. Short-term channels of public diplomacy, such as Radio Free Europe, Radio Liberty, these programs are absolutely essential. And as educational mechanisms, it seems to me they are certainly on our agenda and should remain so, and others at this hearing I am sure will concentrate on them. But I will concentrate, rather, on the educational programs with longer-term objectives and potentialities.

The three long-term channels I would discuss are the interactive communication networks, commercial and public; expansion of the J. William Fulbright Scholarship Program; and the return of the United States to UNESCO, the U.N. network that integrates education, science and culture. These channels have common attributes. They employ existing educational institutions and the lat-

est communication networks. They capitalize on the American peo-

ple's unique diversity, to interact with peoples everywhere.

Integration is the key word. It reflects two distinct aspects of human understanding: information and sensitivity. And sensitivity implies our sharing American experience without seeming to impose our structure or policies on others. Even the massive American communication networks should be perceived as providing American access to the viewpoints of others, and their access to our educational and informational systems. We should avoid charges of neo-imperialism in the field of communication.

Aware of this concern, we should nevertheless expand our cultural diplomacy. It must reflect not only what we are as a nation, but what we want to become. A nation's aspirations, whatever the temporary shortfall, are a sound index of its people's moral character and its will to translate that ethic into operative policies.

Diplomacy should move beyond policy discussions to describe for publics abroad the limits on corruption of power, the structural tension of our national political system. The separation of powers and the role of an open and adversarial press is the untidy structure that allows for wider expression of views, even in a society of massive institutions. Public diplomacy should readily describe American society, with all its warts, for the benefit of nascent democracies abroad.

Our great communication networks still emerging should be used to deliver the incomparable intellectual assets of, say, the Library of Congress to people via computers or television in even remote places abroad. And they, in turn, should be enabled to deliver to

Americans the products of their traditions.

We should move ahead of the curve of innovative communication systems rather than relinquish leadership as we have in the past. American developers of high definition television, for example, joined the international competition late in the race, but with some reluctant U.S. Government assistance.

It seems likely that the future of this multi-billion dollar industry may now be brighter for the American digital system rather than the Japanese analogue approach. And HDTV does not deliver simply clearer pictures, it can produce cancer diagnosis, for example, at a far earlier, more minute stage than ever before.

Diplomacy should herald such American advances even as it de-

livers more traditional cultural and educational messages.

Another communication advance on the horizon is virtual reality. VR enables the communicator in America to interact with a counterpart thousands of miles away, and enable both virtually to see themselves inside the environment they create by computer. Though still in an early stage, VR can provide vital understanding of the essence of human communication and expand the use of computers to explore and educate. Most important, VR will do this globally and interactively.

There is no more long-term global, interactive form of cultural di-plomacy than the J. William Fulbright Scholarship Program. Academic exchanges help develop scholarship and citizenship in the United States and many other nations. These attributes last as long as the lives of the participants, and beyond in many cases.

The program has been charged by eight presidents and 23 Congresses over 46 years with increasing the mutual understanding and peaceful relations between peoples in 130 countries. Fulbrighters by the thousands have changed the social and political systems of their native countries around the world. The educational systems of Indonesia, Italy, and Japan were effectively altered by

Fulbrighters returning home from America.

The legal counsel to the president of Italy told me that the Fulbright program did for Italy after World War II what Greece did for ancient Rome. In Japan alone Fulbright scholars who studied in America include the chief justice and three other justices of the Supreme Court, seven Diet members, presidents of 27 universities and more than 100 senior executives of major corporations. Other Fulbright alumni include Boutros Boutros-Ghali, Secretary-General of the United Nations, and dozens of cabinet members in Europe, Asia and Latin America.

Academic exchanges with East/Central Europe and Eurasia, new states formed out of the old Soviet empire, are a natural extension of our cultural diplomacy. There is a little-acknowledged history of Soviet-American exchanges in the past 15 years. Soviet academics studying and researching in America went home to form a virtual cell of intellectuals opposing the Soviet regime and helping to bring

it down.

Among the nearly 200,000 Fulbright scholars, almost half were American—including a man who walked on the moon, 2 U.S. Senators, many university presidents, distinguished scholars, journalists and scientists. The Fulbright program has been the pacesetter of American exchange programs. Yet it provides low stipends and operates on a shoestring in every country. It should resume its leadership role with a fittingly larger objective, yet a narrower day-to-day operation.

The larger objective should be proclaimed by the President, himself a former international exchange scholar and an intern in Senator Fulbright's office. The President should call for a significant increase in funding for Fulbright scholarships. He should emphasize exchanges with the new countries, including Russia. He would also specify exchanges with numerous states in Africa which are striving to end not only the vestiges of colonialism but indigenous

mismanagement after political sovereignty was achieved.

Additional funds would ensure that existing programs are not disrupted to address needs in new countries. A far larger proportion of grants should go to young graduate students, rather than established senior scholars or researchers. The young graduates spend a year abroad, rather than a far shorter time for seniors. And seniors also require a higher stipend. A younger person with a longer career ahead is likely to make a greater contribution over time.

This should not eliminate seniors. On the contrary, the President, by prearrangement, should invite a dozen of America's leading academics to the Oval Office to announce that they will spend a year teaching abroad. They would fan out to all continents and almost assuredly gain public and scholarly recognition. This would signal that the United States acknowledges the greater need for educational and cultural exchanges in the new world order.

The President should also appoint a distinguished educator, perhaps a university president, to head the cone at the USIA which directs the Fulbright program. He should also announce a special effort to recruit accomplished scholars to serve for limited terms as cultural affairs officers in embassies abroad. These CAOs would convey by their activities a deepened American commitment to interactive education and culture, a quality readily appreciated in much of the world.

Finally, the President should point toward 1996, the 50th anni-

versary of the Fulbright program. .

Mr. Andrews. I have a sense he may already be pointing toward it.

Mr. Sussman. Yes, I understand that. It happens to be another important year, too, for the Fulbright program. And this very well may link with that: There should be convened a major international Congress of Fulbright alumni. An appropriate forward-looking theme should focus the addresses, discussions and events at the conference. It, too, would signify America's commitment to advancing worldwide educational and cultural interactions—a

proper role for this integrative nation.

Cultural diplomacy, which seeks to engage American private and public institutions in the formalized exchange of ideas, has a ready-made global network at the United National Educational, Scientific and Cultural Organization, UNESCO. We left UNESCO in 1985, and it is now time to return. UNESCO suffered harsh divisions during the cold war. That period is past. The reformation is best exemplified by UNESCO's thoroughly altered program in international communication. I was the most prolific American critic of that program from 1976 to 1983. American news media and successive Washington administrations regarded debates in UNESCO as a threat to freedom of the press. For this and other administrative reasons, the United States withdrew.

Since 1987, all the communications programs which Americans and others found objectionable have been replaced. UNESCO concentrates now on helping journalists in East/Central Europe, Central Asia and Africa to develop pluralist news medial independent of governments, designed to operate in market economies.

Significantly, Federico Mayor, Director-General of UNESCO, urged the Conference on Security and Cooperation in Europe, CSCE, to adopt the brilliant Charter for a Free Press created by the World Press Freedom Committee, headquartered in Washington and representing 43 news media associations worldwide. Incidentally, the State Department did not support that charter at CSCE. For such actions by UNESCO, the International Federation of Newspaper Publishers, FIEJ, will award Dr. Mayor this May its 45th anniversary prize. It will be the first time this organization, representing 15,000 newspapers worldwide, will honor a personality outside the journalistic community. FIEJ will cite Dr. Mayor for "his courage and perseverance in totally reforming UNESCO's media policy."

The UNESCO programs link science and culture under the rubric of education at every level. Through informatics and new communication technologies UNESCO increasingly will provide access to networks of educational and cultural creativity. UNESCO's bien-

nial general conference this October will fashion the organization's programs into the 21st century. The United States should plan its return to UNESCO so that it can play an informal role, at least,

at that far-reaching general conference.

And finally, Mr. Chairman, it is difficult to quantify in monetary terms the value of cultural diplomacy. Derek Bok, a former Fulbrighter, told me when he was president of Harvard University, "You can't prove the value of anything educational because it's all mixed up with everything else," Precisely because it is so "mixed up with everything else," cultural diplomacy is greatly undervalued, yet no less productive. Who can say how much America's gross national product has been increased by Fulbrighters who expanded science and technology, commerce and international trade; or Fulbrighters in the humanities who sparked better understanding of America and it values, to the advantage of U.S. policies which otherwise might be more costly?

The many facets of education for democracy and frank descriptions of its problems and problem-solving is an obvious mission for American public diplomacy. It is an investment in a more peaceful

future, not unrelated to bringing down the national debt.

Thank you.

[The prepared statement of Mr. Sussman may be found in the appendix.]

Mr. ANDREWS. Thank you very much.

The final panelist on this panel is Kempton Jenkins, Senior Consultant from APCO Associates, Inc., retired corporate officer and career diplomat.

Mr. Jenkins, we have a copy of your statement, which without objection we will enter into the record. You are invited to summa-

rize for us what you have to say. Welcome.

## STATEMENT OF KEMPTON JENKINS, SENIOR CONSULTANT FOR APCO ASSOCIATES INC., RETIRED CORPORATE OFFICER AND CAREER DIPLOMAT

Mr. JENKINS. Thank you very much, Mr. Chairman.

I have always felt in Congress that a good hearing is one which usually included some sharp disagreements. And having heard the statements of my colleagues, I am afraid this may not make the cut. I find, in fact, your own opening remarks absolutely a splendid statement of the situation we face, and I agree with them whole-heartedly. I agree with Penn's comments absolutely, that public diplomacy and democracy-building are inseparable. And I would support Professor Sussman's remarks as well. I will say it is the first time I have ever been called a "clippership diplomat," but I think I like it.

And I especially endorse Professor Sussman's proposal that USIA enlist established American cultural figures as CAOs. In fact, that has been done periodically in the past with, I think, very successful results. And I, too, would hope that that would be more widely

practiced than it has perhaps been recently.

I am honored to be invited to testify before you today. This issue is close to my heart, and I think it is very timely, as you do. I am especially happy as a Port Washington boy to testify before Congressman Levy, who at least was here a minute ago, and I feel that

we may find ourselves not accomplishing the kinds of things that you hope to accomplish precisely because there is not a lot of basic

disagreement over these issues.

Jeanne Kirkpatrick's op ed piece yesterday notwithstanding-and I would say, Mr. Chairman, that I found that statement full of misinformation and generally misguided—that we have a serious challenge in today's world. It is a different challenge, it is more complicated, it is much harder to get our hands around than in the easier days when our challenge was clear, our target was obvious, and we had a strong national consensus in support of what we

were trying to do.

I have always shuddered at the image of the United States which we as a society present to the world. This week alone, consider the global impact of front page stories and photographs of Waco, Texas, where U.S. Army tanks are encircling a so-called religious cult ranch, and think also of the impact of our image and our relations in the critical Muslim world today of the story on the Tower bombing, which irrespective of the facts and the responsibilities and so forth, leaves a strong impression throughout the world that there is a sort of fundamental anti-Muslim bias or attitude in the United States, which is reflected in the coverage of the events.

That is a distortion, but that is the problem. As these stories go out, they are always distorted. It is not the media's fault that their customers clamber for gory details, although I think they do stoke the appetite unnecessarily about domestic tragedies, but it does underline the vital need for a steady flow of balancing material about

the United States to world audience.

As you will note in my full statement, I began my diplomatic career in 1950 and immediately one after the other held two information positions. Subsequently in 1968 I returned to public diplomacy as an Assistant Director of USIA for Soviet Union and Eastern European Affairs. It was in that position, Mr. Chairman, when I first appeared before your distinguished predecessors, Congressmen Wayne Hays and Peter Frelinghuysen, to discuss VOA coverage of an aborted defection by a Soviet sailor to a U.S. Coast Guard vessel. I recall this not as "a war story", although I enjoy telling war stories, but because it illustrates the absolute focus of the Congress, your predecessors, and our administration at that time, on our confrontation with Moscow, which I believe very appropriately shaped virtually everything we did at that time in public diplo-

However, prior to that time, between 1945 and the Korean War, creative, distinguished American leaders from our academic and media world had in fact put in place a full menu of public diplomacy programs designed to enable the United States to project our values and reassure the world that the United States' leadership could be trusted. We were in 1945, as we are today, the world's

only superpower.

The programs they designed all survive today. Dr. Sussman commented on many of them. Even though tailored during the cold war to neutralize Soviet initiatives and undermine Moscow's hegemony over its empire, they remain as the basic pillars of our efforts to project American values to the world, and I believe they are the proper pillars, and we do not need to reinvent them or even signifi-

cantly to reorganize them. What we do need to do, however, is redirect them and provide new messages. The pillars, as both my colleagues have mentioned, are international broadcasting, information activities, the exchanges programs and the educational and

cultural programs.

My summary recommendations to the committee are that we reorder our priorities, that we reestablish exchanges as perhaps the top priority, and I would hail especially the establishment of things like the Muskie Fellows, the Bradley program, the continuation of the Fulbright program, which I also would hope would be funded more fully than it is now, as illustrative of the kinds of things we

do in the education exchanges programs.

I do think we should combine VOA and RFE/RL. As one who fought Senator Fulbright's committee, and especially Senator Case when an effort was made to shut down Radio Free Europe and Radio Liberty. I now feel that the objective and the targets have virtually disappeared in their previous form, and that the traditional VOA-type broadcasting enhanced by the expertise and particularly the magnificent research facility in Munich, (which, among other things, was pulled together by Gene Pell over the last 5 years) can enhance our international broadcasting effectively.

I might say as an aside I am strongly opposed to suggestions that they in fact be pulled out of the Information Agency in its present form and established as a separate entity, but we will talk

about that a little more in a second.

I think it is important to sustain all the basis U.S. information, education and cultural programming that exist, but with a drastically redesigned target map to reflect our new strategic goals; that we must redraw our strategic target list to reflect the new world centers of economic and political power-Japan, for example. I have had quite a bit of experience in doing business or attempting to do business with Japan, including selling half of a major steel corporation to Japanese co-owners, and I have found that the American image, the picture of the United States extant in Japan, is as badly skewed as anywhere in the world.

You do not have to be a Third World country to have a Third World image of the United States and all of our strengths and weaknesses. TV feeds, for example, are blocked in Japan almost uniquely in the world, fearing foreign intervention into Japan's

cherished culture.

China, obviously, has been discussed a great deal. It is emerging as a new economic giant, and it is going to be a political and a military elephant in Asia. It is no longer a sealed society, but it is still

far from an open society.

Egypt, larger in population than the rest of the Middle East combined, is widely considered a highly incendiary political state, and has never been a prime target for our public diplomacy in the past-always in the second or third tier-deserves, in my judgment, to be among the most important targets we have.

I would say the same thing about Indonesia, which has the largest Muslim population in the world, a dynamic and growing economy, a terribly important market for American goods. We are badly outgunned there, badly understood, badly under-represented, and

very little of our effective information activity over the past years has gone there.

And I would list India, Brazil, as well as the former Soviet Union

in those categories.

I think it is important and I recommend that we clarify once and for all, and this is truly a responsibility of Congress more than it is perhaps the executive branch, the division of labor between USIA and AID. It is absurd, expensive, time-consuming and frankly ridiculous for the United States Information Agency to stand in line for its funding at an AID window, or to have AID Third World veterans trying to deal with intellectual programs in a part of the world about which they know nothing. There is an obvious division of labor there. AID should do economic development and promoting private sector economic programs, and USIA should deal with the intellectual and the democracy-building side of it.

And if the Congress will in fact see that through the appropriation and authorizing processes this division is made clear, I think the public can better decide what it wants to support the administration will have a clearer idea of where to go to get support for their various programs, and we will all be dealing with the real

world a lot more effectively than we are today.

There is great confusion today, I can assume you, within the State Department, AID and USIA, as to exactly who does what and

where do you go to get the money.

I would urge that we eschew significant cutbacks in organizational shifts. Fifteen percent across-the-board reductions, 25 percent cut in the White House staff, I don't feel too badly about that. But 25 percent reduction in the programs which make up USIA, to my mind, would be to ignore the fact that we are shifting from a military confrontation to an intellectual challenge, and obviously some things can be improved upon, some things can be done more efficiently, savings can be made anyplace, but it would be very silly, in my judgment, to go to an across-the-board cut for the kinds

of things we are talking about.

Reorganization itself is dangerously seductive as a concept. Every time there is a new administration the world starts the day it comes to office. We all know that. Congressman Gilman and I have been through a lot of those days together. And I am worried that, as we look at our relationships with China today, for example, that we feel that we have to do something, Congress seems to feel. So we are talking about a Radio Free Asia, sort of along the lines of Radio Liberty and Radio Free Europe, ignoring the fact that every poll of the impact and effectiveness of international broadcasting in China reveals that the Voice of America today is by far the most popular, the most effective foreign voice and is doing an excellent job. We may want to review some of the programming, the targeting, the objectives and so forth, but the instrument is there. We do not need another half a billion dollar program set up with a bureaucracy to go with it to deal with that challenge.

I would urge that we continue to recognize that it is entirely inconsistent with American values to attempt to control or coordinate the message which U.S. society sends to the world. I do not think anyone would disagree with that. What is correct and more important is that U.S. public affairs officers around the world need to stay on top of the message which is being received in the country of their assignment, and identify which U.S. Government programs can seek out and provide, to provide the balance that we need to correct the skewed sensationalist images of the United States which our commercial media are prone to project. In fact, I believe that only the public affairs officer and the Ambassador and his embassy abroad are in a reasonably practical situation to assess what is coming into the country we are talking about in terms of the American image.

In my full statement I characterize the United States today as a pulsating amoeba, which is dominating, hanging over the whole world, and messages are coming from all sides about all kinds of things, and there is very little focus except on the sensational, and usually on the negative, and that is the challenge that we face.

Mr. Chairman, as we shift our national focus from military confrontation with Moscow to a much less focused economic competition, it seems to me it is essential that the world hold America's society in respect; that there is confidence in our judgment and in our power; and I for one do not wish to rely alone on the alter-

native commercial information sources.

Insofar as we can discipline ourselves to do so, and particular that the Congress can discipline itself to do so, Mr. Chairman, I would hope we not fritter away our limited resources on programs which make us feel warm and fuzzy, but which cannot reach a real target in priority countries with a real message which is critical to our national interest. All too often we fall for the old Indian rain dance approach. There is lots of activity, no effect on the weather, but the members of the tribe feel better when it is over.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Jenkins may be found in the appendix.]

Mr. ANDREWS. Thank you very much.

We will begin with questions from my colleagues, my friend from American Samoa, Eni.

Mr. FALEOMAVAEGA. Thank you for the rain dance.

[Laughter.]

Thank you, Mr. Chairman.

I really appreciate the comments and the statements that have been presented here this afternoon. I have just a couple of questions. I do not think there is any question among the members about the need and how effective public diplomacy has been over the years, and how our country has effectively utilized this resource or a medium to not only share our culture values, but certainly by way of promoting education and better relationship with other nations of the world.

I want to ask the members of the panel, do you think the State Department can effectively organize itself in such a way that it can offer some sense of realistic priorities in terms of the regions of the world, whether these are critical and they can really address it se-

riously?

I say this, you mentioned about the Radio Free Europe, the Voice of America. I think Senator Simon has recently introduced a legislation about having Radio Free Asia, the fact that two-thirds of the world's population is in the Asia Pacific region. But I am saying in

terms of having real, realistic sense of priorities within the State Department to say which are really the more critical regions where we could make this a real substantial contribution in terms of having these kind of exchanges that, in my opinion, has not evidenced

as far as say specifically the Asia Pacific region.

I make an observation, and again in terms of the rain dancers you have indicated earlier, Mr. Jenkins, and correct me if I am wrong, the impression that I have gotten the times that I have served here is that the mentality here in Washington is that basically we are still fighting World War II in Europe, and yet the trade relationship that exists between our country and the Asia Pacific region far surpasses in terms of our economic interests. And I was wondering, this is probably one area that we lack by way of doing real substantive exchanges where cultural differences has been one of the biggest obstacles and barriers in trying to align our country in a more positive light, and really giving it the kind of substance.

A couple of years ago I asked a gentleman that was head of the Voice of America why are we not putting substantial efforts in doing the type of thing we should be doing in Asia when we have to deal with a billion Chinese and 800 million Indians and 170 million Pakistanis, just in numbers, the sheer numbers alone. And the gentleman said, well, maybe we will get to it maybe another time.

But I am talking about the fact that in human terms I just wanted to ask you gentlemen do you think the State Department can give us a realistic sense of saying, hey, this is where the substance is, let us really go after it? Or do you think that the Congress can

make that judgment?

You know, when we talk about Foggy Bottom, I guess, gentlemen, you are quite familiar with that. I just want to explore that

with you as one of the questions I wanted to raise.

You have indicated, too, the need to restructure USIA and AID. We have been kicking that around for how many years now, and internally the State Department still has not come up with a substantive proposal in terms of how the Congress should act statutorily, in terms of making this truly a more effective agency or agencies, as it relates to this.

Earlier this morning we were talking about human rights, where public diplomacy has probably given its best act of tremendous effort and really seeing this as a positive means. Public diplomacy, I think, has played a very critical and valuable role in promoting human rights values, not only from our country, but certainly with

other countries of the world.

I just wanted your response.

Mr. JENKINS. Mr. Congressman, I hope you noticed the emphasis I attempted to put on—

Mr. FALEOMAVAEGA. I am just a delegate. I am sorry, sir. I am one of those nonvoting types. Go ahead. I am sorry.

Mr. JENKINS. I was going to say something facetious, like you are a Congressman in my eyes, Mr. Faleomavaega.

I hope you notice the emphasis I attempted to put in my statement on Japan, China, India and Indonesia——
Mr. FALEOMAVAEGA. Yes.

Mr. JENKINS [continuing]. —as being the target areas. I share your view that as a nation and as a society we have under-focused on those countries, for very logical and historical reasons, and the time has certainly come today when that needs to be corrected.

I am hopeful that the rather experienced team we have put in place in the State Department now, certainly Warren Christopher has the background and the sensitivity to understand these issues, while Winston Lord is a true Asian professional and a great foreign service officer, and I am sure that he will be taking a strong lead in that regard.

I do not worry about the State Department being able to clarify the priorities, and my hope is that the President will pick up on that, certainly our trade relationship with Japan and these other parties of the world, to the kinds of things which are our new chal-

lenges, precisely as you said.

I would be a little uncomfortable with the idea of the Congress trying to micromanage that policy priority change, but it is not un-

precedented, certainly.

On the other hand, in terms of the organization and the structure of the funding of AID and USIA, for example, that is clearly, in my judgment, a principal responsibility of the Congress, and one of the reasons we are in the fix we are in today is because the Congress, for reasons of expedition and I am delighted they did it, the AID bill was the only one they could tack the money on to deal with democratization in the Soviet Union, and we are left now with the bureaucratic results of that which, frankly, are very, very costly. That needs to be corrected, and I would urge you and the members of this committee to take the leadership in doing that. This is, after all, the committee which sits on top of the State Department and USIA on matters like that. So I hope you will take that leadership in that regard, and there is nothing wrong with prompting the State Department periodically on the political priorities, but I think we have reason to be confident that they will be responsive to this changed world in that regard, and I have a lot of confidence in Winston Lord and Secretary Christopher, and hopefully the President as well.

Mr. FALEOMAVAEGA. Mr. Sussman.

Mr. Sussman. My only comment on your question would refer to the Fulbright program and the exchanges that flow from it. They are very largely determined by the academic aspect of the program, which means that the scholars themselves, the various organizations of university and college people across the country, essentially determine the thrust of many of the exchanges and where they will go, and the quality of the exchanges. So that it has long been a problem, long been a concern that there might be an overpoliticization from the government to insert itself for whatever reason into the conduct of that program. And so there have been very strong efforts, the Congress at the very outset made certain that the selection process was in the hands of the academy rather than the hands of the bureaucracy, and for very good reasons, which we need not expand.

So that means, of course, that therefore a lot of the control is therefore removed from government officials, and quite properly so, I think, in the face of academic exchanges. But what it also implies is that there must also be the demand from the area itself. In other words, the colleges and universities, higher education people in your area must indeed indicate a desire to be part of that program. and in that sense it becomes an exchange once it is accomplished.

Mr. FALEOMAVAEGA. Mr. Kemble.

Mr. Kemble. One of the intriguing challenges before the new administration and Congress is whether to make the kind of investment of political capital today that this reorganization of USIA-AID relationships, the radios' relationships and all the rest, will require. The argument in favor of it is that it is a new time, a new generation of leadership, and there are a lot of new Members in Congress. If you wait until everybody settles in, both in the administration and Congress, then decisions are sometimes made not on the basis of what the best substantive choices are sometimes, but in terms of committee jurisdictions, bureaucratic turf interests in the administration, and whatever. My own sense of this administration is that it is waiting to hear from Congress as to whether it will cost the administration a lot of political capital to make some of these changes, or whether in fact the new administration will earn political capital by working together with Congress to see these changes through. My own hope is that you try to do it now, but I can see the dilemma.

On another point you make, the question of strategic emphasis of our public diplomacy work: I very much agree with you that we need greater flexibility. We do need to be able to address regions of growing strategic importance to us, but I would also caution against playing down what is going on today in Russia and in Central Asia. I am a little concerned that the proposal for reorganizing the Board for International Broadcasting, Radio Free Europe and Radio Liberty seems to be made without great attention to the substantive issues at hand and with perhaps an overbearing concern about budget matters. A few years ago, when this idea was first entertained, we all enjoyed a kind of euphoric feeling about what was happening in Eastern Europe and the former Soviet Union. But I think that today we see a kind of counterrevolution developing in that part of the world against democracy. It is not you know, the old communism, but it is still something we need to be terribly worried about. If in fact large populations in that quarter of the world fall into ethnic violence, repressive government or whatever, the possibilities of change in places like China, North Korea, Burma and so forth are going to be greatly undermined.

Korea, Burma and so forth are going to be greatly undermined.

So we need to take a very careful look at this proposal to zero out, to terminate the RFE RL facilities. I would incline much more toward a true consolidation of them, together with our other broadcasting facilities. I would also say that I think there is a very interesting debate to be had as to whether this should be done as part of VOA and USIA, or whether in fact there might not be value in creating a new kind of broadcast entity that would bring a lot of these things together, but that would provide the kind of independence from direct State Department influence' or even the perception of that influence that BIB has had. So that is an interesting debate, and I do not know how much we want to tie this committee hearing up with it, but I think there is a lot to be said in favor

of a more independent structure, and I hope that you will get a

chance to consider it.

Mr. JENKINS. If I may, Mr. Congressman, up till Penn's last point I was with him all the way. I thoroughly agree that that part of the world is very dangerous in different ways than it used to be. but still very, very challenging and important to us.

I served in the Soviet Union and spent 18 years of my life dealing with the Soviets, and I perhaps even more emotionally hold the

same assessment. I think it is terribly important.

I think that open discussion about where the broadcasting function should be located is probably a good thing to have. I have not yet heard a good argument as to why you achieve any improvement in your message or the efficacy of what you are trying to do by establishing something separate. My bureaucratic instinct is if it is

separate it is more expensive.

And, secondly, the concept, and it is thrown around rather loosely in some of the debates in the press today about BIB, RFE/RL, that it in fact is independent of State Department and government policy direction is wrong. It is paid for by the taxpayers of the United States. It is an instrument of American policy. It should be an instrument of American policy. As a taxpayer, I would not have it any other way. If the policy process is not working properly, we have the wrong people in charge. There is no reason why those stations, and I would say it again, zeroing it out would be extremely foolish, I think. Consolidating is very important. My own preference is, in terms of efficiency, to consolidate it together with VOA and within the present structure. It is going to be, as long as it is paid for by our tax dollars, directed to one degree or another by the policy machinery of the U.S. Government, and I think it should be thus.

Mr. FALEOMAVAEGA. Thank you.

I have a couple other questions, Mr. Chairman, but I will defer to the Chair because we have our colleagues here.

Mr. Andrews. I am going to go next to the distinguished ranking minority member of our full committee, Mr. Gilman.

Mr. GILMAN. Thank you, Mr. Chairman.

I want to welcome our panelists, and particularly Mr. Jenkins,

who we have served with on many occasions in the past.

Are you in favor of a single agency, consolidating all of our public diplomacy methods such as exchanges, education, cultural information, broadcasting all into one department?

Mr. JENKINS. Yes. The short answer is yes.

The second answer would be more or less that is the way it is now with the exception of the independent radios. We have been through periods when the exchanges program was separate in the State Department, and when I was in the State Department it was that way.

If it were there now, I would argue against changing it. But I think to fritter away our resources on reorganization as opposed to substance, as opposed to Americans on the front line, cultural officers in capitols abroad, I think would be a serious mistake, and I

Mr. GILMAN. There seems to be much comment concerning creation of one broadcasting agency.

Mr. JENKINS. There is that, and there is a statement by Richard Carlson, who used to run the Voice, which is a very good statement for that point of view. I do not share that point of view. I have had a lot of experience with BBC, Deutschewelle, Kol Israel abroad, and I have seen the shortcomings which have been expressed to me by my foreign colleagues in embassies abroad and here in Washington, how frustrated they are because the German foreign office never knew what the hell Deutschewelle was doing, and Deutschewelle had no liaison with the German cultural center to speak of, and they were off, essentially much less focused than we

I think our effort, in terms of the free world effort, has been about as effective as any, and I really would not bow down to the

British and BBC.

Mr. GILMAN. What about the proposal to take the VOA to absorb

Radio Free Europe, Radio Liberty?

Mr. JENKINS. Well, as I mention in my full statement, I think they should be consolidated, and I share Penn's point of view. I do not like the word "absorb." That is not quite the right way. I would rather see it as a merger, to use a business expression.

There is tremendous talent at RFE/RL and there is unique

knowledge, and that has to effectively employed. And if it were subordinated totally and thereby lost its quality, that would be a

loss and a mistake.

Mr. GILMAN. Well, do they not have distinct goals and objectives? For example, VOA is supposed to be the news agency, and Free Europe and Radio Liberty is supposed to be more or less of a market-

ing effort on democracy?

Mr. JENKINS. Well, I do not mean to dominate this conversation, Mr. Gilman, but historically the radios, the independent radios were perceived as surrogate stations reporting on domestic develop-ments within foreign governments where there would be some question of good taste and propriety as to having the official U.S.

radio station do it.

Once John Marx and Senator Case revealed that in fact the radios were being subsidized totally by CIA, we lost that innocence, and I think ever since that time it has been perceived as an American government instrument, and I do not think that the surrogate function is any longer anywhere near as important because what is happening in those societies now, more or less, (and again Penn is correct) by no means totally, but more or less you can get information into those societies, even countries like Kazakhstan, which is ruled by a former Marxist strongman. And there is an open society in the sense that journalists can go in there, can report on the situation, that you can place material. The International Media Fund is in fact helping establish opposition radio stations in these countries, and it is beginning. It is tender process. It is not over by a longshot, but I think the former concept of the division is no longer relevant.

Mr. GILMAN. Professor Sussman, do you agree with those?
Mr. SUSSMAN. Well, I agree with the main thrust of what he is saying. I am not sure that—I am not sure that putting everything together and consolidating—consolidation would work if were developed within the VOA. So that I think there is something to be

said—there is something to be said, it seems to me, for an inde-

pendent operation of the radios off by themselves.

And I agree fully that, for example, the research arm of RFE/RL is something that simply must be preserved and not diminished in any way. It is a major arm of academic as well as political understanding. So that I certainly think that the times do certainly call for changing the complete separation, but I think the question of where to put it is still an open one. And I agree with Penn that it is an open-ended question, but I think putting them together within the USIA might create more problems than doing it outside.

Mr. GILMAN. What about the radio, should there be one radio

agency, or do you prefer that they be independent?

Mr. SUSSMAN. Well, I think there are different functions. I am not sure that the surrogate function is entirely best. I think that there is very definitely a need for surrogate functions, particularly when we are talking, as I have talked in this paper, about the need to expand the democratic concept and the values of democracy. It seems to me that is a teaching process. RFE/RL should be very good at that.

It is quite different from the VOA, which is in a certain sense more of a day-to-day report of what goes on in the United States culturally, politically and in other ways. There are distinct func-

tions. I am not sure it is easy to blend those functions.

Mr. GILMAN. Mr. Kemble, your thought on this?
Mr. KEMBLE. I tend to think that it should be possible to maintain, the integrity of different missions within some kind of a single

umbrella broadcasting entity and as the same time to save considerable amounts of money when it comes to consolidating technical

facilities, administrative facilities and the rest.

It seems to me that the audiences we broadcast to are sophisticated enough to understand when they are getting something that is a U.S. Government information bulletin, which has its place on our broadcasting, and when they are getting something that is produced by a kind of surrogate programming service that is intended to present an audience with news and objective information about what is going on within that society itself. This is something that deserves some careful examination, some professional broadcast counsel should be brought in on it, but I am inclined to lean toward the idea of an independent corporation that would nevertheless fill these various missions.

Mr. GILMAN. I want to thank the panelists.

Thank you, Mr. Chairman. Mr. ANDREWS. Thank you.

Because we have a vote, we will recess until 3:25. We will come right back and get to Mr. Levy's questions when we reconvene.

Recess.

Mr. Andrews. We are going to reconvene. I apologize for our additional 10-minute delay. There was a second vote which we were not anticipating.

While we wait for Mr. Levy, I would like to ask a couple of questions. One pertains to the issue of financing our public diplomacy

as it relates to radio.

I am fully cognizant of the need, the imperative to make sure that this voice of our policy is determined in some democratic way and is not in any way censored or intrusive. Having said that, one of the questions that I am sure my constituents would ask me at a supermarket or a diner on the street would be, Congressman, why are you allocating millions of my dollars to broadcast radio signals to people in China, or Africa, or the Middle East, or wherever?

nals to people in China, or Africa, or the Middle East, or wherever?

My explanation, I assume—well, I know my explanation to then would be this. The cost of not informing people about the merits of democracy is a lot higher than the cost of informing them about the merits of democracy, and the billions of dollars, trillions of dollars we have spent on defending ourselves against states that were antidemocratic and would have to spend in the future, perhaps some of that can be avoided, and also there can be marked enhancement of the quality of life for people around the world, and there is something to be said for that.

Having said all that, one of the things my constituents would

want me to do, I am sure, is to find creative additional ways to

help pay for this so taxpayers would not.

Is there anything wrong with the proposition of subsidizing the cost of this kind of broadcast system through the sale of commercial advertising time to private sector interests interesting in marketing their products in those areas of the world? Is that a good idea or a bad idea?

Mr. Kemble.

Mr. KEMBLE. You know, this has been done in a restrained way by NPR and Public Broadcasting, and it is an approach that very much deserves consideration. It becomes more practicable to do something like that if you have a broadcasting entity that is not regarded as the official broadcast voice of the government of the United States.

I think that it may diminish our image somewhat in the eyes of the world if a broadcast entity that is officially part of the United States Government is accepting sponsorship. Whereas if you create something that is quasi-independent—

Mr. ANDREWS. Like our Olympic team?

Mr. KEMBLE. Well, the Olympic team is private—I mean, the U.S. Olympic Committee is a private entity. While U.S. funds may go to some aspects of its work, it is primarily funded, I believe, by private contributions.

We do not, after all, want to give the impression that Uncle Sam is so broke that we have to put corporate logos on the U.S. dollar or things like that. But, to put a kind of sponsorship capability into

an independent radio system I think would be workable.

Mr. JENKINS. Let me mention another parallel which I think is relevant, and that is, in what used to be a fairly major international exhibits program, which I would hope will be revived in this new public diplomacy world we find ourselves in. The traditional format was an official—an American pavilion which housed a number of commercial exhibits, and there would always be an official U.S. Government part of that. We ran of series when I was at USIA of major exhibits into the Soviet Union, which would be seen by a million and a half Soviets over a 1 year time. They are extremely effective. They included 20 guides or Russian-speaking Americans who would stand up in front of a Cadillac or a kitchen

or a camping trailer and explain American policy in fluent Russian, which was no small piece of work in those days.

Mr. ANDREWS. It is hard to do in English, too.

[Laughter.]

Mr. JENKINS. Well, it improved in the translations, actually.

But I think that the mixture is a doable thing, and I think it is worth looking at. I do think that PBS is a worthy illustration of that. It does not lead necessarily in my mind to a requirement to establish a separate entity.

Mr. ANDREWS. OK.

Mr. Jenkins. I think public radio is currently under a lot of fire in the budgetary process, and there are those who would like to see it abolished.

I addressed this question from a slightly different angle in my

written testimony.

Mr. ANDREWS. Yes.

Mr. JENKINS. And I would repeat that point. In a country, in a nation, culture, where we spend more money on cosmetics than we do on education, in my judgment we can well afford to do both. And I think that we need to do both.

Mr. Andrews. If I may, because my question kind of implies it, we do not spend more on cosmetics than we do on education. We spend more on cosmetics than the Federal Government spends on

education.

Mr. JENKINS. Right.

Mr. ANDREWS. If you add up what state, local and other sources spend on education, we spend a lot more.

Mr. JENKINS. That is true.

Mr. Andrews. Which then begs the question who should be spending the money to do the things that we talk about. If there is a way that the—if there is a way that we could maximize the use of private investment dollars without jeopardizing content and without creating censorship problems, and I raise that as a question. I do not know whether we would. That is what I am asking you.

Mr. JENKINS. Well, I think we have done that, and we did it in

the exhibits process, and it worked well.

Mr. ANDREWS. Right.

Mr. JENKINS. And those things can be resolved, and I think like that idea and agrees that it is a good idea. I would not necessarily draw from that support for the idea of—

Mr. ANDREWS. Right. I know that one does not imply the other.

Professor Sussman?

Mr. Sussman. Yes. I do not know how relevant this is, but in the Fulbright program, for example, the United States Government has spent \$1.3 billion over 45 years for the program, but American private colleges and universities have added another 71 percent to that in their own work.

Mr. ANDREWS. Right.

Mr. Sussman. And foreign governments now add some \$21 million a year to it. So there are ways of getting assistance.

Mr. ANDREWS. Yes.

Mr. Sussman. And I am not sure how comparable it is to your suggestion but it has worked very well.

Mr. ANDREWS. Well, it is interesting, it is kind of ironic that the area where you would think that there would not necessarily be as much for-profit private sector support, because the relationship between the work of the scholars and commercial value is much more attenuated, and should be in many cases. There has been a great deal of matching support, whether it is from universities or corporations, foundations and the like. And then in this area where there is some obvious commercial value to Coca-Cola or someone else being able to beam their signal into another part of the world there has been very little commercial participation that I can tell.

Do you have any policy-based objections, censorship-based objec-

tions to advertising playing a greater role in this?

Mr. Sussman. Well, the only objection I would find to it would be the impression that this is corporate America speaking rather than America, and it does change the image to have that perception, it seems to me.

Mr. ANDREWS. I wonder to what extent. Is there any research on

whether people make that distinction?

I read an article this weekend in the Philadelphia Inquirer magazine about a gentleman who traveled the world, a journalist, and was astounded by seeing U.S. culture everywhere he went—on small islands in the South Pacific, people watching reruns of Laverne and Shirley. There was a guy walking down the street in India with a sweatshirt on with the name of his high school on Long Island on it. These are true stories.

I make that point to say this: that corporate America is already communicating very effectively with all corners of the world. I wonder if we are ever going to be able to separate the message out that this is official America through its government and this is cor-

porate America through its corporations.

Mr. Sussman. I think the distinction here is, however, that the radios-that the programming that we are talking about is not entertainment programming.

Mr. ANDREWS. Right.

Mr. Sussman. People oversees come to expect corporate America to be reflected in entertaining programs, and they do not expect it in news and information, and this may be one of the distinctions I think we have to take note of.

Mr. JENKINS. Some of our broadcasting, however, is or could well

be characterized as entertainment.

Mr. ANDREWS. Right.

Mr. JENKINS. I cannot remember his name now, Wilford or somebody like that, who was Jazz America— Willis Conover, who is better known abroad than perhaps our own presidents, usually, and in some cases for good reasons.

Mr. Andrews. Some day we should be glad that he does, I guess.

Mr. JENKINS. Extremely effective image for the United States,

and that was pure entertainment.

Mr. ANDREWS. Right.

Mr. JENKINS. And I think it redounded very well to the credit of the United States, and certainly Coca-Cola would have given its right leg to have had its logo connected with that.

Mr. ANDREWS. OK, thank you.

I am going to turn to Mr. Levy, and I know Mr. Sussman has a train to catch. If you need to leave, please do so.

Mr. SUSSMAN. Thank you.

Mr. ANDREWS. Thank you for your participation.

Mr. Levy.

Mr. LEVY. Let me extend my greetings to all of you, especially

to my neighbor from Nassau County, New York.

And, Mr. Sussman, since you seem to be on a schedule let me just ask you first, I may have missed part of the point that you were trying to make. I heard you in your testimony make reference to HDTV. I absolutely agree with you that we lost our early advantage in that area and may have an opportunity to get it back as the technology changes. But I am not sure in what context that comes up here.

Does HDTV have a role to play in international diplomacy, and

if so, what is it or what should it be?

Mr. Sussman. Well, I was using it in my paper mainly as an example of American being behind the curve, and I was suggesting to get ahead of the curve this time in what I referred to as virtual reality, which is a much newer form of exchange and which indeed does have very strong educational possibilities as well as entertainment possibilities, but has very strong educational opportunities, and that is what I was essentially making the point for.

I think HDTV may indeed have some value as well in its own right simply as a communication forum, but I was not making that

point basically.

Mr. Levy. OK. I think that you will find as a former domestic broadcaster those people who come here to talk about the power of the media, especially in the international arena, will not find a better friend here than myself. However, I have to ask, and, Mr. Kemble, your written remarks make reference to, without elaborating on some of the particular services, and having said about my support overall for international broadcasting, I have to single out TV Marti, which you mention but do not elaborate on.

Is there anyone who think that TV Marti has been an effective part of American diplomatic effort, and is that something we ought

to continue doing?

Mr. KEMBLE. I do not think that there are many people who would argue that it has been effective, no. The difficulty is, how do we deal with that problem without doing something that appears to the people of Cuba as U.S. retreat in the face of criticism by the Castro regime? We may have to make some adjustments in what we do with TV Marti, but I would hope we could find a way to do it that would demonstrate a continued support to free exchange of information with Cuba so that no one could claim any kind of victory for Castro.

Mr. LEVY. Have we even tried to furnish information over TV Marti? Because what we hear about, and not ever having been a consumer or ever having seen it, what we hear about is reruns of old black-and-white situation comedies from the 1960's being run from a transmitter in a balloon somewhere within broadcast reach of Cuba in the middle of the night, and service which is sometimes

reliable.

What I am really asking is if we should not stop doing something

that silly merely because Castro says it is silly, too.

Mr. KEMBLE. Well, you know, the early experience with Radio
Free Europe provided many anecdotes that enabled people to mock it. There is probably plenty of reason to do a serious review of TV Marti. But, on the other hand, it is a serious attempt at breaking through the information blockade that Castro has, and we should go about reviewing it in a thoughtful way.

Mr. LEVY. Let me direct my last question to my neighbor. Unless you get the wrong impression here, this deals with the potential ex-

pansion of our international broadcasting effort.

You have expressed particular interest, and I agree with you, about Asia and that region of the world. Is there any role for our international broadcasting effort to expand in the Balkan region and Yugoslavia, in that area? Is it available there? If so, to what extent, and should we be doing more, I guess is my question?

Mr. JENKINS. That used to be part of my turf and I have stayed

in touch with it, and I think I can answer with some definition that VOA does broadcast in Slovene, Croatian, and Serbian; has done without interruption, contrary to Jean Kirkpatrick, RFE never

broadcast to Yugoslavia, for good policy reasons.

We have access, fairly good access to put our message into Yugoslavia, and it is not for lack of information that our problems have erupted there, obviously. We have, I believe, increased our broadcasts in the Yugoslav languages since the crisis began, and have redoubled our efforts in other areas as well. Currently have re-opened our cultural centers which were shut down for securities reason in both Zagreb and Llubjana. The information center in Skopje, which I founded in 1969, is still there, with a Macedonianspeaking American, and an American flag up, and it has now become the site of the American Embassy to be. We are there, and the opportunity to put the message in is there.

My understanding is that there are no financial restraints for a reasonable increase or adjusting priorities in those broadcasts on a day-to-day basis. It is a clear illustration of how valuable we can be, because the effect that we have had in countries like Slovenia and Macedonia by those simple cultural presence, presence as represented by a single American speaking their language, has been disproportionate to what one could expect, and I think that is the

kind of investment I want to see.

The CAOs that Dr. Sussman was talking about abroad, and I am more intrigued by that and the ability to increase that effectiveness than I am by jumping into new technology to get a broadcast message out, which is a fleeting impact frequently, but the American presence is immeasurably important.

Mr. LEVY. I thank you. That's all I have, Mr. Chairman. Mr. ANDREWS. You are very welcome.

Mr. Manzullo is not with us. I know he did want to ask several questions. Chairman Berman is on his way, I am told.

STAFF. That is what I was told.

Mr. Andrews. He may have been waylaid. Let us just wait and see. The Chairman may want to ask a couple of questions. Let me explain his absence today. It is for a very good reason.

The chairman also serves on the Committee on the Budget, and the Budget Committee today is marking up the budget resolution which will be considered by the full House next week, and obviously that is an issue of imperative importance, and that is where he is. He wanted me to extend his apologies to you.

Do we have any word on his whereabouts?

We have decided to cut the budget by 30—what?

[Laughter.]

Mr. ANDREWS. OK. Chairman Berman has been called back to

the Budget Committee.

Let me thank the members of the panel for their insight. The purpose of these hearings has been to take away both information and propositions that the committee can then work through as we do the reauthorization, and you have served us very well today, I think, by providing some very articulate support for the proposition that failure to engage in the information exchange, failure to broadcast and otherwise engage in proffering information about democracy, would be a mistake, would be something that would forfeit a real opportunity for this country. Not everyone on the committee will agree with that. I think that is true, and you have provided some very powerful testimony in support of that proposition.

You leave us with the harder questions, which are how to organize our effort to do that; in what ways can we improve our present organization in which we attempt to do that; and then in what creative ways can we approach new technologies, new financing opportunities and other new arrangements that might present them-

selves to us.

We will be submitting questions to you. The committee will be submitting some questions to you for supplementing the record, which we would ask you to give us responses, but you have given us much to think about and hopefully much to act upon. We thank you very much.

With that, the committee stands adjourned.

[Whereupon, at 3:56 p.m., the subcommittee was adjourned.]

#### APPENDIX

### PUBLIC DIPLOMACY:

Key Foreign Policy Tool
in an
Age of Democracy and Electronic Communications

Testimony by
Penn Kemble
Senior Associate, Freedom House

before the Subcommittee on International Operations

of the Foreign Affairs Committee United States House of Representatives

March 10, 1993

## Public Diplomacy: Key Foreign Policy Tool in an Age of Democracy and Electronic Communications

There is a natural impulse to argue that the end of the Cold War has eliminated the need for much of the dimension of U.S. foreign policy that is described as "public diplomacy." But there is a more compelling case to be made that today this aspect of our engagement in international affairs not only retains importance, but has even grown in value.

Those who saw the Cold War as nothing more than the struggle of the West against Communism always misunderstood that conflict; it was also a struggle for democracy. Today Communism has collapsed as a political idea, and retains dwindling power in Cuba and East Asia only through fear and force. But in both the post-Communist countries and much of the developing world, the roots democracy has sunk are still tentative and vulnerable.

The new democracies need strengthening, but democracy is not simply a technology, to be sent abroad in six-packs or tanker bottoms. Democracy involves the way people look at themselves and at the world. Before there can be democratic government there must first be democrats -- men and women who think freely and act as independent, responsible citizens.

We Americans cannot create such democratic citizens in other countries, but our national creed asserts that all men are endowed by their creator with the potential to become such citizens. We believe that men and women everywhere want to act upon these inalienable rights. The miraculous events of the past decade, from the Philippines to Poland, from Chile to China to South Africa to Russia itself, are an awesome testimony to the validity of these American principles.

These principles long ago led us to undertake programs as part of our foreign policy that could help people abroad develop the understanding and skills of democratic citizenship - what Alexis de Toqueville called "the habits of the heart." At its truest, American public diplomacy should not be confused even with the highest forms of propaganda. It is instead a means whereby we provide other peoples with objective information and diversity of opinion that helps them to think for themselves about the world they live in. Programs of international exchange enable people abroad and our own citizens to establish a sense of connection to a world-wide community of free peoples. We show respect through our efforts to explain our national interests and foreign policies to others, so that they can understand, support or even offer informed criticism of our involvement with the wider world.

In the subculture of our national security establishment, public diplomacy was once regarded as an ineffectual auxiliary to the genuinely important instruments of American power: military might, economic potency, and diplomatic expertise. Just as Stalin once scoffed, "How many divisions does the Pope have?" so experts in military strategy and international finance belittled the power of words and ideas.

Then came the collapse of communism, and a world-wide surge of the democratic spirit. Few would deny that a strong U.S. military defense or the comparative success of our free economy played important roles in the democratic revolution of these past five years. But even fewer would deny that the key element sparking and driving this democratic revolution was the remarkable spread of ideas and information, passed in person-to-person discussion, in books, magazines, and samizdat, or broadcast irrepressibly over the electronic media -- radio, television, FAX and computer. Through this revolution in culture and technology, peoples throughout the world began to think and feel as democrats. They soon demanded that their leaders and their institutions undergo a similar transformation.

Wherever one goes today among the world's new democrats, one encounters people who speak of the debt they owe to America's international broadcasters -- Voice of America, Radio Free Europe and Radio Liberty -- or to experiences they had during visits to free societies as students, participants in scholarly and professional exchanges, or tourists. The democratic revolution did not batter through walls; instead, the walls were gently undermined by a steady flow of information, ideas and values -- the substance of public diplomacy.

In view of this achievement, the new Administration and the new Congress may want to think carefully about the potential that public diplomacy may have for continuing to shape the world we live in. During his campaign for the presidency, Bill Clinton argued that "one of the most effective things we can do in international affairs is what is called 'public diplomacy.'" (Milwaukee, October 1.) In fact, the spread of democracy and the increasing openness of the world to information, culture and ideas may make public diplomacy potentially an even more potent element of our foreign policy than it was in earlier times.

Today the U.S. is both the world's sole superpower and its pre-eminent example of the democratic way of life. There is a thirst in the world to know more about us -- both our accomplishments, and the difficulties we face in making democracy work. Today the United States stands before a great worldwide audience. Responsible engagement with that audience can help us immensely in achieving our national goals. We can influence opinion so that factions or leaders who might threaten us are deterred, not by military force, but by the will of their own peoples. We can help build international support for free markets and free labor, for human rights, and for respect for the environment. We can encourage the ethnic and religious pluralism that makes it possible for Americans to live together under one government, while retaining a rich cultural diversity.

But for public diplomacy to be effective, what we say about our values and motivations must relate organically to the actual conduct of our foreign policy. Public diplomacy cannot be a mere decoration that accompanies the exercise of power in other ways; it must be an integral part of that exercise of power. If they are to be effective, the important actions our government undertakes must be considered at the outset from the standpoint of the public impact they will have abroad, and strategies must be developed to maximize the positive effects. No American candidate for public office in the United Sates would call a strategy meeting with his fund-raiser, his get-out-the-vote coordinator, his scheduler, and his policy-adviser -- and tell his press secretary to wait outside. Yet something very much like this often happens when America's councils of state are meeting.

But before the potential strength of public diplomacy can be exploited, some revisions in the instruments through which it is carried out may be required. While our country did help encourage the changes that have swept the world, it is also apparent we were not nearly so effective as we could have been, and should have been. In recent times, considerable confusion and demoralization crept into our agencies of public diplomacy, as well as into other instruments of government that help assist the world's new democrats.

Several central issues will concern us in the years ahead. One of USIA's essential missions must be to promote the foreign policy of the United States. The Director of USIA or the head of its press service should be involved in the day-to-day foreign policy decision-making process, and this integration of press relations and policy decisionmaking should carry through down to the post level. Individuals with real public relations talent and experience should be invited to help increase our capability for serious public diplomacy. If the USIA has a more direct role in shaping and sending America's "message" -- if it were more closely linked to the White House and State Department communications systems -- some of the other challenges that face the agency might be dealt with more readily.

Another concern is that democracy gained strength around the world during recent years, the State Department and the White House offered little leadership in directing and providing coherence to the work of the various U.S. agencies designed to help promote democracy. As a result, spontaneous initiatives to engage the changing world sprang up within these agencies, and others were legislated by an understandably restless Congress. The effect was considerable duplication and confusion among a wide array of prodemocracy programs and initiatives: AID, USIA, NED, and others.

Another area in need of review is our international broadcasting. The great democratic wave changing the world is also creating need and opportunity for changes in the instruments with which America conducts its public information and broadcast services. Such reappraisal, in fact, is already underway in the Congress, and within the broadcast agencies themselves: the Voice of America, the Board for International Broadcasting, and its Radio Free Europe and Radio Liberty, Radio Marti, TV Marti, WORLDNET, and those

supporting the prospective Asia Information Radio endorsed by President Clinton during his campaign.

The most far-reaching proposal for such reorganization is that all these entities should be concentrated into a single U.S. international broadcasting corporation, separate from USIA and any direct relationship to the U.S. Department of State. Another is that all broadcasting services might be consolidated into Voice of America, by and large as it is structured today.

Whichever of these options one prefers, it is clear that pressures to reduce administrative complexity and costs are going to create great pressure for far-reaching reforms in U.S. broadcast arrangements during the coming legislative authorization cycle. These pressures will be intensified by radical changes in technology now on the horizon: the prospect of direct satellite broadcasting of radio and television signals to world-wide audiences, and the increasing coverage of world events in real time by both commercial and government broadcasting.

As in the Clinton/Bush Presidential campaign, so also worldwide, conventional approaches to news and public affairs programming are giving way to more informal and popular styles. Shortwave broadcasting is losing ground in parts of the world suddenly opened to commercial and government-sponsored medium wave broadcasting. (Today Radio Liberty is broadcasting to Central Asia by leasing transmitters once used by the Soviet state to jam its signal.) Radio news itself is giving way to television, a medium in which broadcasting to closed societies poses far different problems from those of radio. These changes in tastes and technologies may require changes in our strategies of public diplomacy, if it is to remain effective.

Beyond broadcasting, the new Administration and Congress may want to exploit this new moment in both domestic and international politics to reorganize a much wider range of our foreign assistance and public diplomacy agencies. Some intriguing proposals that have been made for such reorganization are:

- Restructure U.S. AID, USIA and NED so that the work of providing U.S. assistance to the new democracies can be more rationally divided.
- Review the ways U.S. cultural, scholarly and citizen exchange programs
  operate so that these can be managed by a single entity (at present they are
  divided up among USIA, AID, and even the Labor and Education
  Departments.)

Such proposals for re-organization confront the new Congress and the Clinton Administration with a significant strategic decision: should the reorganization described above be undertaken during the coming session of Congress? Such reorganization will

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require significant changes in legislative authorities, and authorization bills for the State Department and related functions are undertaken on a two-year cycle. If reorganization is not put on the Congressional agenda during the coming spring's legislative cycle, it will not be possible again until early 1995. During the two-year wait, new officials will become comfortable in old jobs, and Congressional Committees may acquire stronger proprietary relations with existing agencies and programs. It is even possible that the international situation, which today seems to invite reform in our own foreign policy structures, may alter in ways that diminish the possibilities for significant change.

On one hand, there are clearly risks to proceeding with basic reform in our foreign policy agencies during the upcoming legislative cycle. One is that the new Administration and Congress will be so burdened by domestic issues that it will be unable to cope successfully with a complex agenda of foreign policy reform. Some argue that changes at USIA, the BIB, AID and other related agencies will require a significant expenditure of political capital by elected leaders. Others respond, with equal vigor, that our public officials can actually earn political capital by taking up these needed reforms at once. This will no doubt be a key strategic question for this Committee.

Thank you very much.

Penn Kemble Senior Associate March 10, 1993

Testimony Leonard R. Sussman Adjunct Professor of Journalism and Mass Communication New York University

Subcommittee on International Operations Committee on Foreign Affairs, House of Representatives March 10, 1993

#### The Mission of U.S. Public Diplomacy

I recall in my written testimony a letter from John Adams to his wife in 1780. He wrote that he "must study politics and war that [his] sons may have liberty to study mathematics...commerce and agriculture, in order to give their children a right to study painting, poetry, music..." America today is at John Adams's second stage. We can concentrate less on war, more on technologies of peace and, of course, the humanities.

In devising a new mission for American public diplomacy we should listen to two contemporary voices. The recent war in the Persian Gulf suggests that cultural ignorance can kill. Tens of thousands died, not only because of a dictator's aggression and intransigeance. The ironic truth--words attributed to President Bush's intermediary with Saudi King Fahd-was that going to war had been sealed by "cultural misunderstanding." Closer to this hearing room, six months later, Senator Sam Nunn (supporting a bill to create an international-education trust) declared, "We put 500,000 American men and women...in harm's way [in the Persian Gulf] because our diplomatic and policy communities [were not] expert in cultures and languages that encompass the regions of the world."

International education. However transmitted, education heads any public diplomacy agenda. It is the lynch pin of the American vision of a democratic and humane world order. International education, at its best,

is two-way, interactive. It is odd that Americans, not known for their reticence, have never fully valued our system of higher education, second to none, and our educational exchange programs, particularly the Fulbright scholarships, unparalleled in all history. It is time to change our self-perception and place more emphasis on this strength in our interactive capability...our public diplomacy.

We shall now navigate in a world deprived of certainties such as crude oppression in the Soviet Empire. We shall face instead uncertainties of ethnic struggles within and between newly created countries. Those societies have no tradition or adequate understanding of the complexities of democracy. The United States should expand its educational mission in those areas of possible conflagration.

Let me be specific.

Short-term channels of public diplomacy such as Radio Free Europe, Radio Liberty and visitor programs are essential as educators of both foreign publics and their leaders. Others at this hearing will describe the considerable value of these programs. I shall concentrate on the eductional programs with longer-term objectives and potentialities.

The three long-term channels I discuss are the new interactive communication networks, expansion of the J. William Fulbright Scholarship Program, and the return of the United States to UNESCO, the UN network that integrates education, science and culture. These channels have common attributes:

They employ existing educational institutions and the latest communication networks.

They capitalize on the American people's unique diversity to interact with people everywhere. Interaction is the key word: It reflects two distinct aspects of human understanding---information and sensitivity.

Sensitivity implies our sharing American experience without seeming to impose our structures or policies on others. Even the massive American communication networks should be perceived as providing American access to the viewpoints of others, and their access to our educational and informational systems. We should avoid charges of neo-imperialism in the field of communication.

Aware of this concern, we should nevertheless expand our cultural diplomacy. It must reflect not only what we are, as a nation, but what we want to become. A nation's aspirations, whatever the temporary shortfall, are a sound index of its people's moral character and its will to translate that ethic into operative policies.

Diplomacy should move beyond policy discussions to describe---for publics abroad---the limits on corruption of power, the structural tension of our national political system. The separation of powers and the role of an open and often adversarial press is the untidy structure that allows for wider expression of views even in a society of massive institutions. Public diplomacy should regularly describe American society, with all its warts, for the benefit of nascent democracies abroad

Our great communication networks, still enlarging, should be used to deliver the incomparable intellectual assets of, say, the Library of Congress, to people on computers or television in even remote places abroad. And they, in turn, should be enabled to deliver to Americans the products of their traditions. We should move ahead of the curve of innovative communication systems, rather than relinquish leadership as

we have in the past. American developers of high definition television, for example, joined the international competition late in the race. But with some reluctant U.S. government assistance it seems likely that the future of this multi-billion-dollar industry may now be brighter for the American digital system rather than the Japanese analogue approach. HDTV does not deliver simply clearer TV pictures. HDTV can produce cancer diagnosis, for example, at a far earlier, more minute stage than ever before. Diplomacy should herald such American advances even as it delivers more traditional cultural and educational messages. Another communciation advance on the horizon is virtual reality. VR enables the communicator in America to interact with a counterpart thousands of miles away, and enable both to "see" themselves inside the environment they create by computer. Though still in an early stage, VR can provide vital understanding of the essence of human communication, and expand the use of computers to explore and educate. Most important, VR will do this globally, interactively.

There is no more long-term, global, interactive form of cultural diplomacy than the J. William Fulbright Scholarship Program. Academic exchanges help develop scholarship and citizenship in the United States and many other nations. These contributions last as long as the lives of the participants, and beyond in many cases. The program has been charged by eight presidents and 23 congresses over 46 years with increasing the mutual understanding and peaceful relations between peoples in 130 countries.

Fulbrighters by the thousands have changed the social and political systems of their native countries around the world. The educational systems of entire nations such as Indonesia, Italy and Japan were

effectively altered by Fulbrighters returning home from America. The legal counsel to the President of Italy told me that the Fulbright program did for Italy after World War II what Greece did for ancient Rome. In Japan alone, Fulbright scholars who studied in America included the chief justice and three other justices of the Supreme Court, seven Diet members, presidents of 27 universities and more than 100 senior excutives of major coporartions. Other Fulbright alumni include Boutros Boutros-Ghali, Secretary-General of the United Nations, and dozens of cabinet members in Europe, Asia and Latin America.

Academic exchanges with East/Central Europe and Eurasia, new states formed out of the old Soviet empire, are a natural extension of our cultural diplomacy. There is a little-acknowledged history of Soviet-American exchanges in the last 15 years. Soviet academics studying and researching in America went home to form a virtual cell of intellectuals opposing the Soviet regime, and helping to bring it down.

Among the nearly 200,000 Fulbright scholars, almost half were American---including a man who walked on the moon, two U.S. Senators, many university presidents, distinguished scholars, journalists and scientists. The Fulbright program has been the pacesetter of American exchange programs. Yet it provides low stipends and operates on a shoestring in every country. It should resume its leadership role with a fittingly larger objective, yet a narrower day-to-day operation.

The larger objective should be proclaimed by the President, himself a former international exchange scholar and an intern in Senator Fulbright's office. The President should call for a significant increase in funding for Fulbright scholarships. He should emphasize exchanges with the new countries, including Russia. He would also specify exchanges with

numerous states in Africa which are striving to end not only the vestiges of colonialism but indigenous mismanagement after political sovereignty was achieved.

Additional funds would ensure that existing programs are not disrupted to address needs in new countries. A far larger proportion of grants should go to young graduate students, rather than established senior scholars or researchers. The young graduates spend a year abroad, rather than a far shorter term for seniors. Seniors also require a higher stipend. A younger person with a longer career ahead is likely to make a greater contribution over time.

This should not eliminate seniors. On the contrary, the President, by prearrangement, should invite a dozen of America's leading academics to the Oval Office to announce that they will spend a year teaching abroad. They would fan out to all continents and almost assuredly gain public and scholarly recognition. This would signal that the United States acknowledges the greater need for educational and cultural exchanges in the new world order.

The President should also appoint a distinguished educator, perhaps a university president, to head the cone at the USIA which directs the Fulbright program. He should also announce a special effort to recruit accomplished scholars to serve for limited terms as cultural affairs officers in embassies abroad. These CAOs would convey by their activities a deepened American commitment to interactive education and culture, a quality readily appreciated in much of the world.

Finally, the President should point now toward 1996, the fiftieth anniversary of the Fulbright program. There should be convened a major international congress of Fulbright alumni. An appropriate forward-

looking theme should focus the addresses, discussions and events at the conference. It, too, would signify America's commitment to advancing worldwide educational and cultural interactions---a proper role for this integrative nation.

Cultural diplomacy, which seeks to engage American private and public institutions in the formalized exchange of ideas, has a ready-made global network at the United Nations Educational, Scientific and Cultural Organization (UNESCO). We left UNESCO in 1985, and it is now time to return. UNESCO suffered harsh divisions during the Cold War. That period is past. The reformation is best exemplified by UNESCO's thoroughly altered program in international communication. I was the most prolific American critic of that program from 1976 to 1983. American news media and successive Washington administrations regarded debates in UNESCO as a threat to freedom of the press. For this and other administrative reasons, the United States withdrew.

Since 1987, all the communications programs which Americans and others found objectionable have been replaced. UNESCO concentrates now on helping journalists in East/Central Europe, Central Asia and Africa to develop pluralist news media independent of governments, designed to operate in market economies. Significantly, Federico Mayor, directorgeneral of UNESCO, urged the Conference on Security and Cooperation in Europe (CSCE) to adopt the brilliant Charter for a Free Press created by the World Press Freedom Committee, headquartered in Washington and representing 43 news media associations worldwide. (The State Department, surprisingly, did not support the Charter at CSCE.) For such actions, the International Federation of Newspaper Publishers (FIEJ) will award Dr Mayor this May its 45th anniversary prize. It will be the first

time this organiation representing 15,000 newspapers worldwide will honor a personality outside the journalistic community. FIEJ will cite Dr. Mayor for "his courage and perseverence in totally reforming UNESCO's media policy."

UNESCO's programs link science and culture under the rubric of education at every level. Through informatics and new communication technologies UNESCO increasingly will provide access to networks of educational and cultural creativity. UNESCO's biennial General Conference this October will fashion the organization's programs into the 21st century. The United States should plan its return to UNESCO so that it can play at least an informal role at that far-reaching general conference.

It is difficult to quantify in monetary terms the value of cultural diplomacy. Derek Bok, a former Fulbrighter, told me when he was president of Harvard University, "You can't prove the value of anything educational because it's all mixed up with everything else." Precisely because it is so "mixed up with everything else," cultural diplomacy is greatly undervalued, yet no less productive. Who can say how much America's gross national product has been increased by Fulbrighters who expanded science and technology, commerce and international trade; or Fulbrighters in the humanities who sparked better understanding of America and its values, to the advantage of U.S. policies which otherwise might be more costly? The many facets of education for democracy and frank descriptions of its problems and problem-solving, is an obvious mission for American public diplomacy. It is an investment in a more peaceful future, not unrelated to bringing down the national debt.

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## HOUSE FOREIGN AFFAIRS COMMITTEE

# INTERNATIONAL OPERATIONS SUBMCOMMITTEE HEARINGS ON THE MISSION OF U.S. DIPLOMACY

TESTIMONY OF

KEMPTON JENKINS APCO ASSOCIATES INC.

March 10, 1993

Mr. Chairman, Mrs. Snowe, it is very flattering to be invited to testify on the Mission of U.S. Public Diplomacy at this critical junction -- it is no exaggeration to say that we are indeed at an historic watershed -- the second such watershed since World War II.

The end of the cold war (as did the end of World War II) has had the effect of removing our compass in the broad arena of public diplomacy.

In fact, I am tempted to propose that we review carefully the years between 1945 and the Korean War in 1950 when the U.S. also found itself "compassless" in an information/cultural vacuum.

I began my 30 year career as an American diplomat a month before the brutal North Korean invasion of the South. And, I began as a young assistant in the Bureau of Public Affairs.

Public Affairs was an entirely new post-war concept established in Dean Acherson's Department of State led by a collection of visionary Americans including Mutual Broadcasting's Elmer Lower, Shep Stone of the New York Times, Senators William Benton, William Fulbright, Carl Mundt and Congressman Alexander Smith -- the latter two authored the Smith-Mundt Act which established the information and cultural programs within the State Department.

To review the functions developed by these creative men and women between 1945 and 1950 is instructive.

Exchange programs brought tens of thousands of political leaders, students, media people, and academicians to the U.S. from, most notably our recent adversaries, Germany and Japan -- but also from the rest of the world. They laid the groundwork for the continuing exchange programs. Special programs such as Fulbright Scholarships which sent thousands of young American scholars abroad to both teach and learn.

I experienced one illustration of the indisputable success of these exchanges when at the 1979 White House State dinner for Japanese Prime Minister Ohira, the PM rose to respond to President Carter's gracious toast and spoke for ten minutes about how his entire life had been altered by a six month visit to the U.S. as a student. He said with deep emotion that he only hoped that his success in Japanese politics was a worthy reflection upon the far-sighted American policy of reaching out to our former adversaries.

As the cold war set in, the initial post-war "rebuilding" focus of our public diplomacy shifted dramatically (and I believe correctly) to supporting U.S. efforts to contain Soviet imperialism. Unfortunately, driven by pervasive McCarthyism, initially this was more out of fear than confidence.

I had become an Assistant Information Officer in Lower Saxony Germany by 1952 and witnessed the embarrassing circus-like activities of McCarthy's henchmen Roy Cohn and David Shine. Their efforts to promote media attention as they purged the U.S. libraries of such dangerous publications as - Time, Newsweek, and Dashiell Hammett's Maltese Falcon made them and the United States a joke. The German press called them the bad-news twins and "Schone and Kein" (which translate out roughly as "already nothing"), while the U.S. press called them "junketeering gumshoes."

However, with time, we passed through that dismal period, regained our national composure and, under the guidance of Edward R. Murrow and others, moved ahead with increasingly effective efforts to penetrate Moscow's empire and limit their efforts to discredit us in the Third World.

Following Brezhnev's invasion of Czechoslovakia in 1968, e.g. we found one of the few ways in which we could show the flag was to open U.S. cultural centers in Krakow, Poland, Bucharest, Romania, and the 5 Republics in Yugoslavia. We were able rather promptly to dispatch young USIA language professional couples and plant the flag at a time when the Brezhnev Doctrine threatened Yugoslavia, Poland, and even Austria.

No one would deny that our programs in that period did contribute significantly to stoking the human appetite for freedom and accelerated the demise of Moscow's empire.

But clearly Mr. Chairman, as I understand it, you believe, as do I that the time has come to pull up our public diplomacy tradition by the roots and see what form and direction we should pursue today.

The need to project American values and create a framework of balance within which the disparate commercial and populist "cultural" image of the U.S. with somewhat more accurate understanding of the world's only remaining super power is apparent to us. No U.S. diplomat can return home from an overseas assignment anywhere -- from Canada to Outer Mongolia without a sharp feeling of wonder -- "how can they think that way about us?"

In a shrinking globe, it is indeed essential to our international interests that the world have a realistic assessment of our vibrant, confusing and dynamic society. In a letter to the <u>NY Times</u> my close friend Hans Tuch, colleague and "cabin-mate" in Moscow in 1960-62 wrote:

"Exploding communication technologies, conflicting idealogies, rising nationalism, interactive economic, environmental, political, health, and population problems, as well as the emerging importance of public opinion on the decisions and actions of governments -- all these have forced governments to communicate directly with foreign publics in an effort to achieve broad understanding for their nations' ideas and ideals, for their institutions and culture, and for their national goals and current policies. This governmental process of communicating with foreign publics rather than only with foreign governments has become an indispensable element in the conduct of foreign affairs. In the United States, the U.S. Information Agency is mandated to conduct this [public diplomacy] process."

I must say I share Tuch's view without reservation.

I will discuss both the messages and the targets, but I believe it worthwhile to reflect again on where we were proceeding immediately after World War II, before the cold-war intruded and narrowed our public diplomacy policy dramatically.

Then, as now, we were asking ourselves what we stood for, what the "national interest" really was in the world's perception of us and just what did we wish to project as "American values".

There was little debate then that our philosophical commitment to the dignity and liberty of the individual, a goal to progress toward full exploitation of the human mind, the abolition of violence, fear, torture and terror -- what has become known as "human rights" under President Carter and the trail-blazing Congressman from Minneapolis, Don Fraser -- respect for American policies were all part of our goals. If that sounds Jeffersonian, it is meant to be.

I would submit that our charter from the post-World War II period is still valid. What has changed is the targets (no longer dictated by Moscow's threat to us) and most dramatically, the bewildering explosion of communication techniques and equipment. And I would insist that it is entirely appropriate for the U.S. today to harness as best it can these new techniques to present the U.S. as worthy of our unique power status, worthy of emulation in some respects and sympathetic support in others (such as the financial after-effects

of 5 decades of resource dedication to the urgent and critical arms race, our inexorable but often painful pursuit of racial integration, and our seeming incapacity to overcome the scourges of drugs and violence in our decaying cities).

Up front, it is essential to recognize that the U.S. Government never has and today cannot begin to "control" the message or image it projects to the world - i.e., the product of "public diplomacy", Rather than a carefully modulated laser gun, our image is ever more put out to the world, as though we were an intense pulsating amorphous mass. If this is true, what can official U.S. public diplomacy accomplish today?

I believe that official U.S. efforts are vital and can provide critically needed balance, focus, and dignity to the often contradictory and sensationalized commercial output: take today's U.S. film production, CNN's fascinating but none-the-less "directed" coverage from ground-zero in Baghdad during the Gulf War, and costly portrayals of U.S. society as brutal, insensitive and consumption-crazed in international TV, print media and drama.

Our ability to exercise our great power status constructively requires a reasonably balanced respect for our intentions and our capacity to exercise leadership.

If you accept this thesis, then what tools are appropriate for us to utilize today?

I would find myself returning again to the basic armory which was first developed after World War II:

- Greatly expanded exchanges especially visits to the U.S. by
  political leaders, students, businessmen and professionals,
  cultural figures and academicians from all corners of the
  world, but especially from major nations clearly destined to
  become significant powers (China, Indonesia, India, Brazil,
  Egypt and Nigeria).
- International radio and TV (materials, perhaps work than broadcasts at this point in technology). While no longer necessary to penetrate Soviet jamming, e.g., it is still of great importance and reasonably inexpensive to provide American values material to the hungry broadcast jaws of foreign radio and TV.

- 3. As U.S. Cultural and information presence in major cities and universities around the world, especially those more distant and poorer in resources. American cultural centers -- libraries can be supported by host governments as they are in Germany today. A live American public diplomacy person can have a profound effect in the isolated cities of China, Indonesia, or India.
- 4. Selected tours of distinguished American plays, symphony orchestras, yes even university marching bands and authors, jurists, etc., are clearly expensive but well worth it.

While I served as a political officer in Moscow in 1960-62, the Department funded a visit to Moscow by the University of Michigan marching band. One of the great moments in my Moscow tour which occurred at the height of the second Berlin and Cuban crises, was the sight of more than a thousand Soviet soldiers falling in behind the band as it marched out of the arena to the stirring beat of Michigan's Fight Song. One could almost envision the whole Red Army marching off a cliff!

U.S. studies programs in foreign universities have clearly demonstrated their effectiveness in promoting more accurate appreciation of American values. Great programs have been established in several countries -- Italy and Germany, e.g. -- but in others such as Japan, China, India, etc., little has survived. University partnerships such as Columbia with Charles University in Prague, Indiana and Zagreb, are another form of institutionalizing American public diplomacy ties in the university area.

Finally, I would list the value of US. support for the establishment of independent media whether in the former Soviet Union, Eastern Europe or in less obvious places such as major third world cities. The International Media Fund is doing stalwart work in Eastern Europe with very impressive results from relatively insignificant investments of U.S. Government money and heroic pro bono work from U.S. media sources.

That is a long menu, but it already is extant within the U.S. public diplomacy machinery to one degree or another and costs a pittance within the context of our national security budget -- where it obviously belongs.

I recognize that it is difficult to respond to a Congressman who asks why he should vote to fund a cultural center in India when he cannot raise funds to maintain a library in Watts. My sincere and respectful response is that in a

country which reportedly spends more on cosmetics than education, we can well afford to do both.

In a world in which the U.S. is perceived both as the source of wonder drugs and cigarettes, violence filled horror movies and "Fried Green Tomatoes", and the Philadelphia Philharmonic and punk-rock, it is important to be sure that the positives are not overwhelmed by the more sensational negatives. I recall well the intense discussions I used to have with Jack Valenti at the MPAA in the late 60's where we screened Hollywood's latest to decide whether it would contribute to U.S. interests if sold to the USSR (which preferred Tobacco Road to Meet Me In St. Louis!)

Mr. Chairman, let me conclude by ticking off a few decisions which I believe the Committee and the Administration should be addressing today.

 Confusion reigns within USIA, AID and the State Department over who should fund what in the areas of democracy building and economic development.

It is essential to recognize and then fund democratization (and projection of American values) through the professionals of USIA and State. AID personnel and tradition are simply unqualified to do this.

It is essential to recognize and fund economic development and promote market economies through AID and State Department officers. This is not the logical area for USIA.

- While the US Government cannot and should not try to control or direct private, commercial, or NGO activities in this area, it clearly is desirable to have as much information and cooperation in this area as possible. U.S. Ambassadors, their PAOs and their Embassy economic and political sections should place a very high priority on being as knowledgeable and involved in these activities as possible.
- 3. People, not dollars, are what make US efforts in this arena efficacious. An American cultural office in a remote post is and always will be worth 10 in Washington! Do not seek to close US public diplomacy outposts to save money -- close down and avoid opening facilities which have no impact but make us feel good, i.e., eschew rain-dances! What President Clinton does so well in places like Chilicothe, Ohio is also important and effective in Penang, Malaysia.

Wholesale across the board reductions in our public diplomacy efforts today will save only pennies at this watershed moment in history and cost us immeasurable but very important intangible influence and respect.

These American goals and objectives should be presented by one organization and USIA is clearly the appropriate body to do this. USIA is not a cold-war propaganda instrument, nor a mushy cultural organization -- it is a blue ribbon experienced career service whose recruits go through the most severe competition process and have developed languages and sales experience second to none.

Our Allies acknowledge that the U.S. has a significant advantage of coordination and are more efficient than other governments such as Germany with its Duetsche Welle and Britian with its separate BBC. We should not fritter away this advantage in the arena of ideas.

Questions Submitted to Leonard Sussman
By the Subcommittee on International Operations
From Hearing On
"The Mission of U.S. Public Diplomacy"
Wednesday, March 10, 1993

1. The U.S. embodies cultural and regional diversity within a unifying political culture. This is a natural asset to the promotion of U.S. prestige and interests in a diverse yet interdependent world. It also offers a powerful example to multicultural nations struggling to establish political systems based on the rule of law.

How well has public diplomacy in the past reflected our cultural and ideological diversity?

What might we do to make both cultural and political diversity a more central part of the value system we purvey to other nations?

2. How about propaganda by example? The Chinese justify interfering with our message in terms of their "national security" concerns.

Can we project a credible message of free flow of ideas across borders without reconsidering "national security" justifications for American statutes, regulations and practises which restrict the freedom of Americans to travel abroad or otherwise communicate with foreign citizens?

3. Is there any way for our public diplomacy to avoid the preferment of opinions favored by the government of the day?

If so, what might that be?

If not, should we not frankly acknowledge that public diplomacy is an instrument of official policy, and eliminate the complex web of contracts and other relationships with private institutions which purportedly veil it from excessive official interference?

- 4. What is the proper relationship between official diplomacy and public diplomacy?
- 5. While inclusion of public diplomacy agencies in inter-agency national security planning might benefit that planning, does it not undercut the credibility of public diplomacy if it is seen as too close to official purposes?
- 6. What are priorities, and how might they be accomplished within current budgetary constraints?
  - 7. Would any of you call for an increase in funding for public diplomacy?

If so, in what areas?

Where would the funds come from?

8. Would you comment on the notion that scarce public diplomacy resources should be concentrated where there are barriers in the way of international communication, or where reasons of state are the U.S.' only interest in fostering communication.

9. Knowledge and freedom are troublesome and anarchic commodities, not necessarily susceptible to use for reasons of state.

Can we avoid situations where freedom which we have promoted leads to consequences at odds with U.S. strategic interests? For instance, where it leads to religious mass movements or revanchist ethnic movements fundamentally opposed to the enjoyment of liberty by their opponents?

10. The promotion of democracy may occasionally unleash political developments at odds with the U.S.' interest in stability, or at least a manageable pace of change for purposes of U.S. political/diplomatic planning.

How can we ensure coordination between these divergent elements of U.S. policy?

11. A good part of the clarity of mission which characterized public diplomacy during the Cold War came from a clear perception of the nature of the threat it was designed to meet.

What are the new threats we should be planning for in the ideological sphere?

How can we maintain flexibility in our public diplomacy institutions and policy-making to accommodate what will inevitably be a more shifting set of threats?

- 12. When messages are produced and purveyed by official action, how do we ensure that they are appropriate in the cultural context in which they will be received?
- 13. What type of understanding do we seek to promote through public diplomacy. Do we want deep understanding of the U.S. and what it stands for, or a more cursory familiarity and sympathy?
- 14. Of what relative importance is increasing the U.S.' understanding and knowledge of the world?

As to either this purpose or that of informing the world about us, of what relative benefit is the presence of foreigners in the U.S. and the opportunity for U.S. citizens to travel to or study in foreign countries?

- 15. Is there an anomaly in using government funds and activity to promote the free market of ideas?
- 16. Could U.S. "assistance" constitute interference in the organic development of pluralist politics?
  - 17. Why are exchanges an aspect of foreign policy, rather than educational policy?
- 18. Should the very distinct missions of broadcasting and educational and cultural exchanges be performed by the same agency?

Can a single agency adequately serve each?

Is there a danger that the mission of one could undercut the other, for example that official propaganda could undermine the more neutral approach required for exchanges?

19. Where would exchanges best be conducted?

In a separate agency?

Is there a conflict between the purposes of the Department of State and the exchange function, that would suggest against returning exchanges to a separate bureau at State?

Answers to questions submitted to Leonard R. Sussman
By the Subcommittee on International Operations
From Hearing on
"The Mission of U. S. Public Diplomacy"
Wednesday, March 10, 1993

1. In my view, cultural diplomacy (e.g. academic exchanges) is presently a vital part of public diplomacy (e.g. broadcasts or foreign-visitor programs). The exchanges eminently reflect our cultural and ideological diversity, with stringent efforts made to avoid the perception of expressing current political/diplomatic policies through scholarly programs. The Voice of America includes diverse cultural programming within the context of American political/ideological commitments. Radio Free Europe and Radio Liberty concentrate on the realities and needs of the foreign publics they serve. VOA and RFE/RL are highly effective programs in public diplomacy. As perceived abroad, they are less effective conveyors of cultural diplomacy which, to be clear, is not their primary function.

In my earlier testimony I describe the great, undervalued success of academic exchange programs. They accurately reflect our ideological as well as cultural diversity. To make both cultural and political diversity a more central part of the value system we convey to other nations we should make more distinct the demarcation between cultural diplomacy and the political objectives we assign to public diplomacy.

- 2. It is necessary to reaffirm our broad support for the free flow of ideas across borders by altering policies and regulations--presently based on "national security" justifications--that prohibit contact between Americans and citizens of some countries. It remains justifiable, in my view, to continue tourist-travel restrictions to those few countries where a high volume of American tourism would substantially sustain oppressive or aggressive political/military regimes. I would welcome citizens of those countries as vistors to the United States. I would, however, remove restrictions on Americans communicating with citizens of those countries by all normal channels. We thereby sustain the free-flow doctrine and demonstrate the self-confidence of a democratic society.
- 3. We *must* avoid the perception abroad that all our present public diplomacy reflects the views of the current administration. The separation of cultural diplomacy from public diplomacy's

political/ideological offering is needed not because the government of the day holds questionable worldviews, but rather because any government expression is devalued abroad as it is in the United States. Such expressions, in greater or lesser degree, are regarded as self-serving; not primarily in the interest of the receiver abroad. The ultimate purpose of cultural diplomacy is interaction with citizens abroad. Interacting with views attributed to a foreign government (the U.S. in this case), however presented, is suspect as propaganda. A National Endowment for Cultural Exchange, outside the government, funded partly by the federal government and partly from private resources, with a managing board composed of public-spirited citizens, academic and non-academic, could oversee U.S. cultural diplomacy.

- 4. If separated from cultural diplomacy, public diplomacy would continue to convey American cultural affairs as part of the full projection of life in the United States. Public diplomacy, in all its aspects, should convey the broad policy objectives of American diplomacy. Sophisticated public diplomacy, however, would select informational and cultural expressions which are not simply policy-oriented. This is not deceptive, but rather reflective of America's political/ideological diversity.
- 5. Public diplomacy agencies have a proper seat at the national-security planning table. This should be beneficial for all participants. The credibility of public diplomacy would not be undercut as long as its instruments and spokespersons remain open to diverse viewpoints.
- 6. Description of democratic institutions should be the overarching theme of public diplomacy, just as education of individuals in free societies is the lynchpin of cultural diplomacy. Democratic institutions include the system of governance, the independent media of communication, the educational system and the market economy.
- 7. Significant increases are needed in funding for public diplomacy and cultural diplomacy. The broadcast, visitor and related programs of public diplomacy, and the academic exchange programs of cultural diplomacy are all challenged by the volatile new world order. We are in a crucial period of instability. Indeed, nations and particularly ethnic and nationality factions, are finally facing the unresolved dilemmas of World War I, not to mention the aftermath of World War

Il and the Cold War. The options provided by democratic systems must be presented persuasively to the people as well as leaders of Eastern/Central Europe, the lands of the former Soviet Union, and the highly populated Asia-Pacific region. I am tempted to say that funding should provide whatever it takes to reach these regions on a continuing, effective basis. Funds for greatly expanded cultural exchanges, if separated from government control but with some increased federal money, could come from the private sector (perhaps encouraged by tax benefits) and increased support from foreign government and corporate grants through binational commissions (some 50 already functioning). For the long term, it should be understood, American investments in academic exchanges have significant multiplier effects resulting in commercial as well as intellectual profit.

- 8. The history of U.S. public diplomacy, including cultural diplomacy, demonstrates that both channels can effectively reach people in countries which maintain barriers to international communication. The U.S. should continue to focus programs on such areas. Academic exchanges by their nature, however, must sustain a high quality of intellectual integrity. This may limit the number of exchanges and choice of educational disciplines in some countries.
- 9. There are no guarantees that U.S. public or cultural diplomacy-particularly in the short term--can avoid short-circuiting of freedom and democracy in countries designated as having American "strategic interests." Alternatives, however, are likely to be far worse: Withholding U.S. public or cultural diplomacy from such countries may only deepen the problems; supporting undemocratic leaders abroad will inevitably be counterproductive, divisive within the United States, and damaging to the perception of America worldwide. By consistently supporting freedom-oriented public and cultural diplomacy--despite short-term setbacks--a foundation is reinforced for the eventual freeing of governance in the benighted countries.
- 10. It is essential, I believe, to sustain a credible two-track commitment in public communication overseas. That is an advantage in separating cultural diplomacy from (political/ideological) public diplomacy. The cultural track develops long-term, inter-cultural personal relationships and consequent intellectual and binational advantages. Those exchanges, to their profit, cannot be easily or rapidly altered. Other aspects of public diplomacy (broadcast or

visitor programs) are readily susceptible to changes of emphasis and policy. If cultural exchanges are separated, there should be no inhibition in maintaining effective liaison between foreign-policy formulators and public diplomacy managers.

- 11. The clearest threat to America's public-diplomacy mission is revealed in the "ethnic cleansing" in Bosnia and environs, the ethnic smoldering in the former Soviet Union, and the exporting of religioethnic terrorism from the Middle East. President Wilson's call for "self-determination," a democratic rallying point after the First World War, reflects America's greatest challenge today. The clash of ethnicity with nationalism threatens "low-intensity" warfare in the regions above, and perhaps eventually in Africa where tribal enclaves straddle national borders. In such a world, it is essential for American policymakers and public diplomacy--indeed for the American people themselves--to understand far better the complexities of ethnic divisions and objectives. If U.S. policy often cannot heal such divisions. American support for human rights sustained through multinational agencies can, at least, demonstrate consistency in seeking peaceful diminishing of old hatreds. Though these threats may shift from country to country, each having a different set of divisive claims, the nature of the challenge to U.S. policy will be roughly similar. Public-diplomacy institutions will therefore become familiar with the recurring dilemma, even as the details of the ethnic struggle change.
- 12. The role of the Cultural Affairs Officer in missions abroad should be strengthened. The CAO, ideally, should be a highly qualified specialist in the languages, history and culture of the host country. My testimony recommends the assignment for a limited term in missions abroad of American scholars with special background in the culture of the host country. Whether the broader ideal or this limited alternative is possible, the CAO should be expected to comment--in advance of official action, if posssible--on the appropriateness of the contemplated message. The CAO's view should be factored into the broader intelligence assessment.
- 13. Cultural diplomacy generates long-term, deep understanding of the United States by foreign scholars, and similarly broad knowledge of other peoples and cultures by Americans. Broadcasts and related forms of public diplomacy quickly support current U.S. policies. Over time, such public diplomacy also develops sustained

sympathy for American values, if not unquestioning support for a particular policy.

- 14. American citizens' understanding of other peoples, other countries and their tensions and objectives is essential for the conduct of U.S. diplomacy. Crucial budgetary or policy choices, for example, between foreign or domestic programs, or selection involving one overseas region or another, may hinge on the degree of U.S. citizens' understanding of other peoples, other countries. A proven vehicle for mutual information exchanges--and ultimately improved understanding--between this country and others are travel exhanges; especially (for their long-term advantages) academic exchanges.
- 15. In an ideal world, or one governed solely by logic, government funds would not be used to promote the free market of ideas (though government, too, may have useful ideas). Development of some new technologies of communication, particularly in electronics and television, are so costly that government should assist the private sector. Government through its own channels may extol the virtues of the free market. As long as government does not seek to influence the content of the private sector's information flow it is not an anomaly to use public funds to promote the free market of ideas.
- 16. U.S. assistance can, indeed, influence the institutional development of pluralist politics abroad. Particularly in small or politically weak countries, the infusion of U.S. support can alter the relative standing of political parties, mass media or conflicting educational or cultural systems.
- 17. Academic exchanges should be primarily an aspect of national cultural (or, more limitedly, educational) policy. National cultural policy should be set on the basis of very long term objectives and never, or perhaps very rarely, altered to accomodate current foreign policies. The purpose of separating cultural policy/diplomacy from current political/public diplomacy is precisely to leave unimpaired by current political considerations the great values created by disciplined scholarly exchanges. Such exchanges, nevertheless, are a proper interest of foreign policy agencies and their functionaries. They may gain insight from these exchanges without exercising a proprietary relationship.

- 18. With broadcasting and educational/cultural missions both housed in the same agency there is the danger that one could undercut the other. Indeed, some American academics and some foreign scholars believe that academic exchanges are sometimes tainted by official ("propaganda") influences. Some Foreign Service Officers, on the other hand, believe there is insufficient control by the missions of the academic-selection process and the nature of disciplines chosen for exchanges ("too scholarly, not mission-oriented"). To meet both sets of objections, an elaborate private-sector selection process is maintained in addition to comparable oversight bodies in the Foreign Service establishment. In my view, the cultural/educational mission of the exchanges has been altered very rarely by the "official propaganda" mission of the headquarter agency. Since the negative perception exists, however, it may be well to consider separating the exchange programs.
- 19. If the siting of the exchange programs is to be reexamined, I would not suggest returning them to a separate bureau in the Department of State. The exchanges might be virtually ignored at State, as they were when previously housed there. Or they might be regarded in the field as a full-fledged operating arm of American foreign policy. Either way, the exchanges would lose credibility and sustained development. If the exchanges, for whatever reason, are deemed to be best held close to official operations, they should remain in the U.S. Information Agency. Fresh consideration should be given, however, to placing the exchanges in a separate agency. This would provide consolidation of several large governmental and nongovernmental administrative tracks. As mentioned above, a new National Endowment for Cultural Exchange could also seek private-sector and enlarged foreign corporate and government funding.

# Questions Submitted to Penn Kemble By the Subcommittee on International Operations From Hearing On "The Mission of U.S. Public Diplomacy" Wednesday, March 10, 1993

1. The U.S. embodies cultural and regional diversity within a unifying political culture. This is a natural asset to the promotion of U.S. prestige and interests in a diverse yet interdependent world. It also offers a powerful example to multicultural nations struggling to establish political systems based on the rule of law.

How well has public diplomacy in the past reflected our cultural and ideological diversity?

What might we do to make both cultural and political diversity a more central part of the value system we purvey to other nations?

2. How about propaganda by example? The Chinese justify interfering with our message in terms of their "national security" concerns.

Can we project a credible message of free flow of ideas across borders without reconsidering "national security" justifications for American statutes, regulations and practises which restrict the freedom of Americans to travel abroad or otherwise communicate with foreign citizens?

3. Is there any way for our public diplomacy to avoid the preferment of opinions favored by the government of the day?

If so, what might that be?

If not, should we not frankly acknowledge that public diplomacy is an instrument of official policy, and eliminate the complex web of contracts and other relationships with private institutions which purportedly veil it from excessive official interference?

- 4. What is the proper relationship between official diplomacy and public diplomacy?
- 5. While inclusion of public diplomacy agencies in inter-agency national security planning might benefit that planning, does it not undercut the credibility of public diplomacy if it is seen as too close to official purposes?
- 6. What are priorities, and how might they be accomplished within current budgetary constraints?
  - 7. Would any of you call for an increase in funding for public diplomacy?

If so, in what areas?

Where would the funds come from?

8. Would you comment on the notion that scarce public diplomacy resources should be concentrated where there are barriers in the way of international communication, or where reasons of state are the U.S.' only interest in fostering communication.

- 9. While there may be reasons to purvey proper understanding of American values, why should we not let the international communications marketplace accomplish that by its "hidden hand", and why should we spend public resources on it?
- 10. Why should we spend foreign affairs resources on helping people think for themselves?
- 11. Knowledge and freedom are troublesome and anarchic commodities, not necessarily susceptible to use for reasons of state.

Can we avoid situations where freedom which we have promoted leads to consequences at odds with U.S. strategic interests? For instance, where it leads to religious mass movements or revanchist ethnic movements fundamentally opposed to the enjoyment of liberty by their opponents?

12. The promotion of democracy may occasionally unleash political developments at odds with the U.S.' interest in stability, or at least a manageable pace of change for purposes of U.S. political/diplomatic planning.

How can we ensure coordination between these divergent elements of U.S. policy?

13. A good part of the clarity of mission which characterized public diplomacy during the Cold War came from a clear perception of the nature of the threat it was designed to meet.

What are the new threats we should be planning for in the ideological sphere?

How can we maintain flexibility in our public diplomacy institutions and policy-making to accommodate what will inevitably be a more shifting set of threats?

- 14. When messages are produced and purveyed by official action, how do we ensure that they are appropriate in the cultural context in which they will be received?
- 15. What type of understanding do we seek to promote through public diplomacy. Do we want deep understanding of the U.S. and what it stands for, or a more cursory familiarity and sympathy?
- 16. Of what relative importance is increasing the U.S.' understanding and knowledge of the world?
- As to either this purpose or that of informing the world about us, of what relative benefit is the presence of foreigners in the U.S. and the opportunity for U.S. citizens to travel to or study in foreign countries?
- 17. Is democracy building a part of public diplomacy, or should we think of it in relationship to foreign aid?
- 18. Is there an anomaly in using government funds and activity to promote the free market of ideas?
- 19. Could U.S. "assistance" constitute interference in the organic development of pluralist politics?
  - 20. Why are exchanges an aspect of foreign policy, rather than educational

policy?

21. Should the very distinct missions of broadcasting and educational and cultural exchanges be performed by the same agency?

Can a single agency adequately serve each?

Is there a danger that the mission of one could undercut the other, for example that official propaganda could undermine the more neutral approach required for exchanges?

22. Where would exchanges best be conducted?

In a separate agency?

Is there a conflict between the purposes of the Department of State and the exchange function, that would suggest against returning exchanges to a separate bureau at State?

- 23. Is there a meaningful enough distinction today between official and surrogate broadcasting to merit maintenance of distinct missions, regardless of consolidation?
- 24. Regardless of the careful segregation of the two, to what extent do listeners in other countries really make the distinction between surrogate and official U.S. broadcasting? Are there any illusions that the surrogate does not in some sense reflect official purposes?
- 25. How independent can we realistically expect an official broadcast agency to be?
- 26. What is the justification for surrogate broadcasting supported by U.S. taxpayer funds, as distinct form broadcasting which speaks as the voice of official policy?
- 27. If there is a justification for the new type of "alternative" services or technical assistance to new broadcasters, why does this constitute public diplomacy rather than foreign aid or democracy building? Would we use economic or political standards for determining the need for this?
- 28. The justification for these new types of activities has been made in terms of leaders of formerly captive nations requesting their continuance. How do these activities relate to the diplomatic interests of the U.S. in those countries?
- 29. Should we be thinking of funding surrogates or "alternatives" with democracy building grants channeled through NED? Or through AID contracts? Or USIA exchanges?

Answers to Questions Submitted to Penn Kemble by the Subcommittee on International Operations From Hearing on "The Mission of Public Diplomacy" Wednesday, March 10, 1993

1. The United States is interesting to other peoples of the world because we are at once very diverse in terms of culture and regional differences and at the same time comparatively united in terms of our civic and political life. To use a now unfashionable word, we embody a kind of "dialectic": we are made, as our federal motto says, "out of many, one." It is, therefore, an altogether appropriate thing to make clear in our public diplomacy just how diverse we are. It is also appropriate to explain how this variety can nevertheless successfully be contained within the framework of our constitution and our other institutions of public life. We are not really "multi-cultural," as that term has now come to be used. It is more appropriate to describe our society as "pluralistic."

It is probably true that in the past our public diplomacy did not make clear enough to the world just how diverse we are, whether in terms of race, religion, ethnicity, gender, region, class, or other characteristics. There is only good to be gained from letting the world know how rich our variety is, and how many tensions and frictions our society manages to cope with.

In our broadcasting overseas, our exchanges, our visitor's programs, and other aspects of our public diplomacy we should ensure that the variety of American life is advertised to others. But at the same time we should make it clear that this variety does not prevent us from acting together as a nation in matters central to the well-being of our democracy or to the defense of our national interests.

- 2. It is important for citizens of the United States to have wide access to the cultural and intellectual life of other countries. The issue raised here may not be quite so simple as it appears to be, however. My understanding is that citizens who have legitimate academic or journalistic interests can indeed travel to Cuba; the problem is, should the Castro regime be allowed to earn hard currency from tourists who in fact are not granted access to the people of Cuba, but are held in apartheid in tourist compounds or resort areas? This is a complicated problem, and, one hopes, the Castro regime will soon collapse, allowing us to put such dilemmas behind us.
- 3. There are many aspects to public diplomacy, and there surely is an important place in it for the expression of the official policies of the present administration. But there are other aspects -- the broadcasting of straight news, or the international exchange of scholars -- where the specific policies of the executive branch or congress should not be in the forefront. In some instances, official policies should be counter-balanced by other views. It should not take extraordinary intelligence to figure out ways in which both the official policies of our government and the wide array of other opinion that exists in our country can find appropriate expression in our public diplomacy.
- 4. One of the functions of public diplomacy is to act as a kind of public relations effort in behalf of the official policies of the U.S. government. Another level of public diplomacy involves exposing people overseas to the complex character of American life. As noted above, it is important to keep these distinct functions in mind and to take care not to mix one up with the other.

5. Those elements of our public diplomacy that are directly related to the official objectives of the U.S. government should be included in the interagency national security deliberations of the executive branch. Those that are not should be kept out. If this is managed in a more or less competent way, then the former should not undercut the latter. Public diplomacy should serve our national security interests, our economic interests and our interest in supporting democracy worldwide.

Public diplomacy perhaps is most effective in helping us share the lore of democracy with peoples elsewhere in the world who are currently attempting to establish democratic government for themselves. Public diplomacy is not something to be seen in inevitable conflict with orthodox diplomacy; it might be more appropriate to say that it is something that parallels orthodox diplomacy. There needs to be a decent separation between the two, but orthodox diplomacy also needs to inform our public diplomacy in some degree. If it doesn't, then members of Congress and others entrusted to execute the public will may find it difficult to justify appropriating tax monies for public diplomacy. On the other hand, those who are entrusted with carrying out public diplomacy need to be aware that if their efforts become too narrow and self-interested, their work cannot be successful.

6. Given the a extent to which both our national security and our economic interests can benefit from it, the priority for American public diplomacy in this period should be to strengthen and carry forward the revolution for democracy that has swept the world in the last decade. It may be wise to review our current budgets for public diplomacy to determine whether or not they meet the needs of this strategic focus, and to ask if we may not now be spreading ourselves too

thinly. Under the Cold War doctrine of containment, it was generally believed that the United States needed to have a presence everywhere in the world, so that if the dike of containment sprang a leak, Uncle Sam would always have someone at hand to plug it. Today democracy is on the offensive in the world; it may therefore be smarter to concentrate our resources on certain strategic objectives, i.e., stabilizing democratic development in Russia, or encouraging a democratic breakthrough in China.

These are all questions of depth and complexity that will provide grist for the mills of our think tanks during the years ahead.

- 7. Some additional funding can be found and should be found for public diplomacy. Much of our current foreign assistance effort is directed at the kinds of problems that people can actually solve for themselves if they develop competent, open and accountable mechanisms of self-government. It should also be possible to continue reductions in our military spending if we are successful in sustaining the democratic wave of recent years. Some areas that deserve consideration for additional spending are:
  - International Broadcasting. We ought to increase our surrogate broadcasting to China, Africa, and the Middle East. We also need to develop the new technologies that enable us to get the best possible good broadcast signals to the peoples of these areas and the former Soviet Union. We need to produce appealing programs that can compete with the other sources of news and entertainment that are increasingly available to foreign listeners.

- Leadership Exchanges. We should increase the number of nuts and bolts practitioners of the skills and culture of democracy we send overseas to work at a practical level with people struggling to develop their own democratic institutions. We should increase the numbers of people from democratic movements and institutions that we bring to the U.S. for education and practical training. We need to take new steps to involve America's non-governmental organizations in this democracy-building work. Not only is there a wealth of understanding of the lore of democracy among our NGOs, but they also can become a new constituency of support for effective U.S. engagement in the wider world.
- Public Relations. Finally, the public relations aspect of public diplomacy needs to be strengthened. We are entering a period both of worldwide communications and what can be called world politics. It is extremely important that the United States explain its position on international issues to publics overseas, and, through the understanding that can be developed with the ordinary citizens of foreign countries, bring pressure to bear on governments to work cooperatively with us to solve global problems. Sometimes great savings can be achieved by explaining to people overseas what our concerns are, because the concerns of American citizens are frequently shared by the citizens of other countries. For example, if we are worried that the North American Free Trade Agreement could lead to increased pollution of the environment along the U.S. Mexican border, why don't we help Mexican citizens understand what these problems are -- including those caused by industries operating in Mexico -- in the expectation that Mexican citizens have as great an interest in improving the environment in this region as American citizens do?

- 8. My comment on the question above is in some measure also an answer to this question. Our interest in public diplomacy is not simply one of reaching people who are denied free media of their own, although that is an extremely important objective. Nor is our interest in public diplomacy restricted to matters of high national security policy. There are a wide range of benefits to be gained from communication to peoples elsewhere in the world, and it is so comparatively inexpensive that we ought not to do more of it.
- 9. There are some American values that, alas, our private entertainment and communications industry usually do not adequately reflect. There are also some regions of the world where commercial broadcasting does not find it sufficiently profitable to operate. Both these shortcomings require us to use public resources to support our broadcasting.
- 10. When people think for themselves they tend to come to conclusions that are more compatible with the interests and values of the American people.
- 11. It is not true that knowledge and freedom are destructive to the interests of a democratic state, or a democratic society; on the contrary, as has often been said, it is the truth that makes us free. On the second question, another old saw provides an answer: the problems of democracy are best solved by more democracy. When, for example, Islamic fundamentalists win an election, the thing to do is not to condemn elections, but to insist that rights be respected and that future elections be held. It is altogether likely that the people of new democracies will soon learn that fanatical leaders do not really serve their interests.

- 12. Why the presumption that the U.S. has an interest in stability? Stability in China? Stability in South Africa? Stability in Cuba? It is not likely that we can really manage the pace of change in other countries, but we can encourage the development of democratic alternatives so that when people become restless with dictatorial government there is some more peaceful and responsible alternative available to them.
- 13. Some new threats we should plan for include:
  - 1) ethnic, religious, and racial conflict;
  - 2) outlaw states which possess weapons of mass destruction;
  - the emergence of trading blocks which seek either to drive us out of important markets
    or to invade our own market in unfair ways;
- underdeveloped countries which are willing to despoil the environment in order to achieve greater parity with the developed world;
  - terrorists, blackmailers and gangsters who wrap themselves in the trappings of government.
- 14. We don't find that our popular commercial culture is misunderstood in many parts of the world: why then assume that there will be insuperable difficulties to understanding of our democratic values and our beliefs in law, tolerance and human rights?
- 15. It would be a great mistake for the United States to fall into a kind of triumphalism or

celebrationism with respect to our own nation or society. We should be quite open in discussing our own shortcomings and in inviting others to recognize these and to contribute suggestions for solutions. We should encourage others to make serious study of the United States not simply because we want them to admire us, but also because of what they can learn from our mistakes.

- 16. One of the great challenges our country faces is gaining greater familiarity with the wider world and a greater sense of comfort in living and working among foreign peoples. We have been held back economically because we have developed a certain insularity. We are quite unfamiliar with foreign languages, we are uncomfortable in dealing with people who have different habits and even psychologies from our own, and we are ignorant of many of the pleasures and satisfactions that can be found in foreign cultures. The Cold War did contribute to a provincialism and sense of embattlement in some quarters of American life, and today our economy is hampered by our inability to sell goods or deal in services in parts of the world which in fact would welcome a greater American presence. Obviously greater international exchange, including that funded in whole or part by the U.S. government, will contribute to a greater American understanding of the world.
- 17. I strongly believe that democracy-building should be considered an element in public diplomacy and not simply a matter of foreign aid. Democracy is not a mere technology, that can be exported in boxes by AID officials. It requires complex interaction among peoples, and, in many instances, the subjective transformation of peoples who have long been passive subjects of authoritarian governments and traditional cultures into democratic citizens.

- 18. Only the people at the Cato Institute believe that free markets can exist without governments. Just as the marketplace for widgets requires civil law and administration if it is not to turn into a Hobbesian war of all against all, so the marketplace of ideas also requires that people at times act through instruments of common purpose -- i.e., government -- to pursue their objectives.
- 19. It is possible that U.S. assistance can constitute interference in the development of democracy in other countries, but it is not difficult to understand how this can happen, and to prevent it.
- 20. There are some times and place where exchanges are of such importance to deepening an understanding between our society and another that it can be justifiably said that these exchanges are a necessary element in foreign policy.
- 21. I believe that it is possible for a single agency to carry out a variety of missions, so long as the management of all these missions is handled in ways that preserve the integrity of each. We have, after all, an independent board that oversees the Fulbright Program. It should be possible to handle other aspects of the work of USIA in somewhat similar ways.
- 22. Exchanges are best conducted by USIA, there is no need for a separate agency. However, it is best to maintain some separation between the exchange programs and the hard, power politics that often predominate at the State Department.

- 23. Yes, the distinction between official and surrogate broadcasting is an extremely important one and it is quite useful to maintain it.
- 24. Just as viewers of the local NBC channel can see and appreciate distinctions among the local news, the network news, the McLaughlin Group, and Cheers, so listeners can appreciate distinctions among different kinds of broadcasting that are funded by or sponsored by the government of the United States.
- 25. No one expects an official broadcast agency consistently and profoundly to challenge the interests of the government that supports it. But it should be possible for such an agency fairly to report on debate within the country that sponsors it, to give voice to different views within that society, and even to give recognition to the views of critics of that society. The more an official broadcasting agency is objective, the more credible it becomes in the eyes of people whose governments consistently deny them free information. It is in our interest, for example, that the peoples of Tajikistan have good information about the civil war currently taking place there, or that the people of Burma have good information about the factional politics of the government of Burma. If they have such information, they are likely to bring pressure to bear on the political actors in those societies to do things that are in a general way beneficial to the interests of the United States.
- 26. Surrogate broadcasting is a kind of "home service" that provides news and a range of argument about what is going on in their own country to peoples who are denied a free media

of their own, or have not yet developed one. Information broadcasting stresses events that are taking place in the outside world, or in the country that sponsors such broadcasting.

- 27. The distinctions between public diplomacy and democracy building, as I have indicated, are not matters that strike me as having great importance. You can even call it foreign aid if you want to -- but that phrase is not one that sounds the most responsive chord in voters. We can use both economic and political standards in determining the need for surrogate or alternative broadcasting.
- 28. As President Clinton has correctly and repeatedly argued, it is in the national interest of the United States to strengthen democracy in what once were the captive nations.
- 29. The expertise, both journalistic and technical, that we have developed in our surrogate broadcasting enterprises is something that we need to help transfer to newly democratic societies. This expertise, this body of values and standards, is what needs to be sustained and strengthened. Switching to another entity will simply pull the rug out from under these established broadcasting institutions at a time when we are trying to draw from them the seeds of democracy and the free media for other societies.

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## **MEMORANDUM**

TO: U.S. House of Representatives

Subcommittee on International Operations

FROM: Kempton B. Jenkins

Senior Consultant, APCO

RE: Mission of U.S. Public Diplomacy

#### Question 1:

U.S. public diplomacy in the past has done a reasonably adequate job reflecting our cultural and ideological diversity. I say reasonable because one must recognize that official resources were dedicated primarily to combating the Soviet Union and secondly, the explosion of communications technology has resulted in geometric increases in commercial media production. Any evaluation of that commercial product would probably lead us to conclude that it has presented an unfair, often biased, or sensationalized image of the United States

The question as to what we might do to make both cultural and political diversity a more central part of the message we purvey to other nations is answered I believe by the post-Cold War array of messages which official U.S. public diplomacy is now presenting to the world. Our product can always be fine-tuned and clearly tailored to shifting targets. The United States is the most diverse political cultural entity in the history of mankind. That message is not lost on the rest of the world.

### Ouestion 2:

The question of American statutes, regulations and restrictions on the freedom of Americans to travel and communicate on grounds of national security does not, in my mind, undermine the credibility of our message in favor of the free flow of ideas across boarders. Most of the pariah nations which are subject to some sort of restriction of this type today are those so

branded by the United Nations, in other words the civilized world. As long as we remain within the framework of United Nations policy in this regard, our credibility is unaffected.

In those few cases such as Cuba where we unilaterally impose controls, one must raise a question, but it can only be answered within the political context of our own system. I think it is clear from recent Congressional action, the Toricelli Amendment for example, that a majority of the elected representatives of the United States continue to believe that we should limit or restrict contact with Cuba as long as it is under the control of Fidel Castro.

# Question 3:

There is a bias in this question, in my judgment, which suggests that opinions favored by the government of the day are somehow incompatible with our public diplomacy. Certainly in a democracy where the "government of the day" is elected and financed by the people of the country, it is difficult to imagine that U.S. public diplomacy would, in fact, be promoting opinions which were contradictory to or ignored by the "preferment" discussed.

The entire fixation on whether public diplomacy is an instrument of official policy or whether we can vail that diplomacy from "excessive official interference" seems to me to be somewhat specious. Of course, public diplomacy is an instrument of official policy. The question is, what is that official policy and does it reflect the diversity, freedom and multi-cultural nature of our society. There are times when that reflection is less perfect than others but those distinctions are a product of our own society.

#### Ouestion 4:

Official diplomacy and public diplomacy, in my judgment, are essentially the same. One could make an arbitrary distinction between official policy statements and public diplomacy, which is a reflection of our society. That is a useful distinction and it has been the tradition in the Voice of American, for example, to reflect both of those diplomacies. I suspect, however, that our audiences and listeners around the world would be somewhat amused by our concentration on this so-called distinction. I have found in my 30-year diplomatic career and my 10-year international business career that the reputation and image of United States public diplomacy is far more credible, sometimes even to the point of being naive, than many critics and hypersensitive observers in the United States could imagine.

#### Question 5:

Inclusion of public diplomacy agencies in inter-agency national security planning is as natural as including the Department of Commerce and the Department of Agriculture in such planning. It does not undercut the credibility of public diplomacy if it is close to official purpose, as long as that official purpose is true to the charter of the United States Information Agency and the Voice of America, i.e., to accurately reflect to the world the official positions of the United States Government and the multitude of attitudes, views and developments in our rich, diverse society. Should we come to a point where USIA is ignoring the latter in favor of the former only, that obviously would jeopardize our credibility and be contrary to our national objectives.

#### Question 6:

Priorities within current budgetary constraints is something which I dealt with at some length in my testimony. In my judgment, since we are no longer in a day-to-day fight for survival (or at least almost no longer, I suppose the day has not come until we in fact have control over the intercontinental nuclear warheads which are being dismantled but still exist in large number under Russian-Ukrainian in Kossack control). With the end of the Cold War I think it is time for us to go back into "overdrive" and focus on the basic messages which were first designed at the end of World War II. Promoting understanding and respect for the cultural and political values of the American peoples of our institutions and confidence in the judgment of the United States as it exercises its global leadership.

#### Question 7:

Yes I would call for an increase in funding for public diplomacy, particularly in the area of exchanges. With the collapse of the Soviet Empire, it is now essential that we attempt to repeat the noble and successful experiment at the end of World War II when we brought thousands, even tens of thousands, of young leaders from our vanquished enemies Germany and Japan for extensive stays in the United States. Our broadcasting programs remain important and in certain targeted areas, are the most important programs we have. However, its capital structure is largely in place and other than modernization, I would not expect a major increase in funding in the broadcasting arena. The funds for sharply increasing personal exchange programs should be appropriated by the Congress for that purpose. One could draw a picture in which it would seem only natural and logical that as we reduce down dramatically our defense expenditures, although the dimensions of these movements are clearly dramatically different, we increase the funds for public diplomacy.

#### Question 8:

I would not concentrate public diplomacy resources where there are barriers in the way of international communication or where reasons of state are the U.S.'s only interest in fostering communication. Public diplomacy is a long-range investment. Occasionally, certain aspects of our national interests require short-term focus but basically, we should remain dedicated to the long-term policies outlined above. Where there are barriers in the way of international communication, if in our priority list of targets that poses a serious problem, we should deal with them without abandoning our commitment to fundamental public diplomacy objectives.

# Question 9:

This is a most complicated question which could be seen as playing itself out in the former Yugoslavia today, or perhaps even Waco, Texas! We should not be promoting freedom willy nilly, but rather freedom with responsibility. Democracy is not majority rule, it's majority rule with minority rights, and it is not anarchy.

### Question 10:

We must ensure coordination between the various elements of U.S. policy through effective, centralized coordination which is precisely what USIA is in a position to do best.

#### Question 11:

The new threat that we should plan in an ideological sphere are the fundamental problems and challenges, a better word than threat, which we faced in 1945. The very shifting nature of these challenges is confirmation of our success in defeating Soviet imperialism. The essence of the policymaking process is to be flexible and to accommodate shifting challenges to our objectives. These are often produced by our own commercial cultural production, not only by changing political developments abroad.

#### Question 12:

It is the responsibility of professional USIA and State Department officers representing us abroad to provide the guidance necessary to ensure that our official messages and actions are appropriate in the cultural context in which they will be received. This is another good reason for centralizing public diplomacy in all its aspects within USIA, which is where the knowledge and wisdom of foreign cultural context is lodged.

#### Question 13:

Obviously we want a deep understanding of the United States and what it stands for and should not be interested in familiarity or sympathy.

#### Question 14:

The importance of increasing the American understanding of the rest of the world is very important, but clearly not a function for the U.S. Government in terms of public diplomacy. It would be totally inconsistent with our traditions as a society for the government to be involved in directing the travel and study of Americans in foreign countries abroad. Certainly, as cheerleaders, we should all be encouraging American universities and high schools to lay much more emphasis on the global nature of the society in which we now live. In my understanding of the phrase "public diplomacy" this is outside of that, noble as it is, as an objective. I think I have emphasized in my testimony and in earlier comments that in my judgment foreign visitor travel to the United States and U.S. study in foreign countries equate with "exchanges" and that is the single most important long-term instrument available to us to advance our public diplomacy goals.

#### Question 15:

No.

#### Question 16:

If handled improperly yes, otherwise, no.

#### Question 17:

Exchanges <u>are</u> an aspect of educational policy as well as foreign policy. The challenge here is to recognize that both goals are served by this procedure.

#### Question 18:

I dispute that the missions of broadcasting and educational and cultural exchanges are distinct. They are, in fact, both parts of the broad generic function of public diplomacy. Broadcasting is immediate, tangible and designed for relatively mass audiences. Exchanges are targeted long-term aspects of the same public diplomacy. Not only should they be performed by the same agency but in my judgment, they must be. A single agency not only

can adequately serve, it has done and should continue to. The idea that "official propaganda" is incompatible with "neutral" exchanges is to misunderstand the purpose of the programs. The American taxpayer is not interested in promoting exchanges, in my judgment (and this is based on some thirty years of experience with the Congress as well as overseas), to promote "neutral" exchanges. Exchanges are designed to enhance understanding, appreciation and respect for the United States and they have been dramatically successful. Official propaganda, a pejorative word to most, but I assume it's not meant that way here, is designed for the same purpose but a radio message usually lasts about 5 minutes and obviously does not have anything like the long-term impact of a nine-month visit.

#### Question 19:

Exchanges are best conducted in a coordinated fashion within USIA which has done a successful job in this field for decades. The function was transferred from the Department of State to USIA for very sound reasons, that is, the official American staff abroad best equipped to cope with these programs are USIA officers, trained and experienced in the language and cultures of the countries where they are assigned.

#### Question 20:

I do not believe today that a sufficient and meaningful distinction remains to legitimize surrogate broadcasting as a distinct mission. As an objective of providing relevant information to populations of subjugated countries like Cuba, North Korea, Iraq, and Serbia, it is obviously in the national interest of the United States and obviously would be supported willingly by the American taxpayers, to broadcast about those internal developments. If it is introduced properly and framed properly, it's not incompatible with other broadcasting.

#### Question 21:

I do not believe that listeners in other countries make a distinction between surrogate and official U.S. broadcasting. There are no illusions that the surrogate does not reflect official purposes. This was clearly so during the life of the Soviet Empire. The was a need for a staff with different traditions and culture to attack the viability of Soviet hegemony and that required a different mentality, location and so forth. That justification has now largely disappeared, although not entirely in the case of the former Soviet Union. It clearly has disappeared in terms of Eastern Europe.

#### Ouestion 22:

I do not expect an official broadcast agency to be independent, nor as a taxpayer do I want it to be. The Voice of America today, tomorrow or in the past should not be an ego trip for individual journalists seeking to establish their "independence" or their credibility by criticizing or denouncing U.S. Government policies.

#### Question 23:

This is handled in previous questions.

#### Question 24:

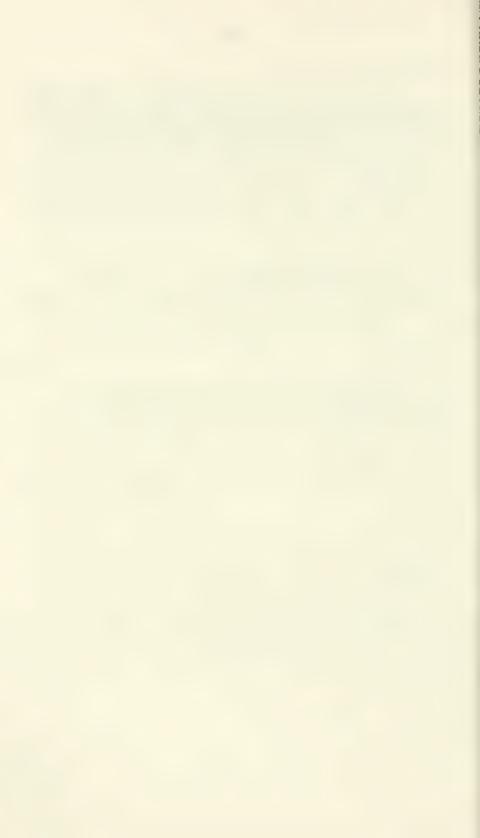
I do not understand the question.

#### Question 25:

I do not understand the question.

#### Question 26:

In my judgment, all activities dedicated to democracy building should under the direction of USIA. AID is singularly unqualified for this task. Their focus should be on economic development which is historically what they have done and what their people have been trained in.



# THE FOREIGN SERVICE: PROSPECTS FOR REFORM

#### WEDNESDAY, MARCH 17, 1993

House of Representatives, Committee on Foreign Affairs, Subcommittee on International Operations, Washington, DC.

The subcommittee met, pursuant to notice, at 3:30 p.m., in room 2172, Rayburn House Office Building, Hon. Howard L. Berman

(chairman of the subcommittee) presiding.

Mr. BERMAN. I am pleased to call to order the meeting of the Subcommittee on International Operations, to continue its formal process of legislative work on the Foreign Relations Authorization Act for the fiscal years 1994 and 1995.

Today we will review the role of the U.S. Foreign Service and

proposals for change.

The Foreign Service has an honored ancestry in U.S. history. From the earliest days of U.S. independence, the nation's best and brightest, five of whom later came to number among our first six Presidents, undertook its diplomacy, and served heroically to advance the revolutionary cause.

In this century, Foreign Service Officers have been and remain key players in bilateral diplomacy with long traditions of dedication, integrity and courage. As an institution, however, the Foreign Service has had problems of other traditions, in terms of staffing

and organization, which have impeded its effectiveness.

Against a backdrop of unprecedented geopolitical change, the Foreign Service needs above all to be flexible and adaptable in meeting new challenges. Such, the record indicates, was the intent even a decade ago of the framers of the Foreign Service Act of 1980, the Service's most recent, dynamic and comprehensive legislative reform.

According to the prepared testimony of two of our four panelists today, however, the aspirations of the 1980 reformers remain unfulfilled, which is the plight of many reformers in many fields. Ambassador Harry Barnes, who as Director-General of the Foreign Service, was seen by many as a principal architect of the 1980 Act and is with us today.

I look forward to discussing with him what appears to be a widening gap between legislative intent and the realities of implementation. I look forward to exploring with all our panelists what they see as the foreign policy demands of the 1990's and beyond, and

The management of traditional bilateral diplomatic relationships remains important to U.S. national interests. But more and more, the critical issues of our time—environment, terrorism, human rights, to name but a few—demand specialized expertise, which some say the Foreign Service cannot now supply. One way or another, however, these issues must be dealt with by the U.S. Government, either by the Foreign Service or by someone else.

In this vein, I remain concerned over what appears to me to be a continuing fragmentation of America's foreign policy apparatus. It is clear that some of this can be traced to the Service's own lack of adaptability to nontraditional work. This kind of organizational

behavior needs to be changed.

The Foreign Service should embrace its new transnational challenges and their domestic constituencies to become a larger, more dynamic, more publicly relevant organization. It should restaff itself now to perform its new transnational missions, and prepare now to reform again, and again, as these missions evolve. The Foreign Service must also, in my opinion, dramatically expand its ethnic and cultural diversity to assure that it is properly representative of our society.

The Foreign Service has now undergone innumerable independent studies, and at least five major commission reports since the mid-1950's, two of them congressionally mandated in this subcommittee's last two authorization bills, GAO investigations, Inspector General reports, and four hearings by this subcommittee in

as many years have failed to induce needed changes.

As I indicated at our subcommittee's last hearing on this subject, our diplomatic professionals and the American public deserve a Foreign Service personnel system which not only meets public

needs, but also makes sense.

The Foreign Service system of today appears to do neither. I believe it is time to close the books on all the reports, analyses and studies, and make needed changes. This hearing makes a beginning in that process, a process of what I hope will be joint work with the new administration to break through bureaucratic gridlock, and to achieve real solutions to the Foreign Service's problems.

[The prepared statement of Mr. Berman appears in the appen-

dix.]

I would like to recognize the ranking member of the House Foreign Affairs Committee, and a distinguished member of this sub-

committee, my friend, Congressman Ben Gilman.

Mr. GILMAN. Thank you, Mr. Chairman. I want to commend you for conducting this hearing at this time early in the budgetary process and early in the new administration's formation of new personnel and new proposals. I think that the issue that you have outlined of Foreign Service reform is certainly one that is worthy of our review and inspection. I am hoping that the expert witnesses that we have today on the panel will help us and guide us, as we look to what should be or could be done to provide a reform of the entire process.

Thank you, Mr. Chairman.

Mr. BERMAN. Thank you very much, Congressman Gilman.

I ask unanimous consent that the statement of the ranking minority member of the subcommittee, Congresswoman Olympia Snowe, be included in the record. She is involved in the floor debate on the budget at this point, and will probably be joining us later.

[The prepared statement of Ms. Snowe appears in the appendix.] Good afternoon to our distinguished panelists. I am really looking forward to your testimony today, and to a dialogue with you on

some of these critical issues.

Our first witness is Ambassador Harry G. Barnes, Jr. Ambassador Barnes served with the U.S. Foreign Service from 1951 to 1988 in India, as vice consul in Prague, Czechoslovakia; in Moscow, as a political officer in the Office of Soviet Affairs in the State Department from 1959 to 1962; in Nepal; in Romania; Ambassador to Romania from 1974 to 1977; Director-General of the Foreign Service in 1977 to 1981, where as I mentioned earlier he created the basis for the 1980 reforms; as Ambassador to India from 1981 to 1985; and as Ambassador to Chile, Santiago in 1985 to 1988.

He was the recipient of a Presidential Meritorious Service Award in 1983; and the Presidential Distinguished Service Award in 1987. As Director-General of the Foreign Service, he was seen by many as a principal architect of the Foreign Service Act of 1980, as I

mentioned.

On a personal basis, I got to know Ambassador Barnes during his time in Chile. If the Foreign Service is represented by the kind of work that I personally had an opportunity to observe, then whatever anyone wants to say, there is great deal to commend it. Because that was a tremendous performance at a difficult time, and allowed a transition which I think that all of the Western Hemisphere enjoyed the benefits of, and have endured long since he left that post.

Ambassador Barnes.

## STATEMENT OF HON. HARRY G. BARNES, JR., FORMER DIRECTOR GENERAL, UNITED STATES FOREIGN SERVICE

Mr. BARNES. Mr. Chairman, it is really very good of you to have asked me to appear before the subcommittee today. As I mentioned a few moments ago, I hope that I can be of some help, although a number of years have gone by since I was Director-General of the Foreign Service.

Thank you, too, for your comments about my work in Chile. What I was able to do there was in very large measure due to the support that I got from the Congress, and from members like your-

self.

Thank you, too, for calling me an architect of the 1980 Act. I was certainly involved, although there were a number of architects including Torrey Whitman on my right. And I am not sure which percentage belongs to each architect. But in any case—

Mr. BERMAN. You were the general contractor.

Mr. BARNES. In any case, since I left the Foreign Service after finishing my mission in Chile at the end of 1988, there are a few things that I have been doing that may be of some relevance to your inquiry today. Let me just mention those, and then go on to make a few other initial comments, if I may.

I have been involved over the last couple of years as the executive director of a consortium called The Critical Languages and Area Studies Consortium, which has as its goal the promotion of the study of Arabic, Chinese, Japanese, and Russian at the precollegiate level. And there is, of course, a tie-in to the work that I did as Director-General.

Secondly, I was a member of the Workshop Program Committee of the Carnegie Study on Science, Technology, and Government, which is alluded to in some of the material that I have seen.

If I got back to the period 1979 to 1980, it seems to me that there were two important what I could call environmental factors that were significant at that time as we were working on what became the Foreign Service Act of 1980. Environmentally speaking, we wanted to take advantage of the movement toward reform.

Mr. BERMAN. Ambassador, could you just move your mike a little

closer.

Mr. BARNES. Sure. Is this better?

Mr. BERMAN. Yes.

Mr. BARNES. Environmentally speaking, we wanted to take advantage of the movement toward reform represented by the Civil Service Reform Act of 1978. It was not only that the conditions were propitious for embarking on such an effort, but it was also important to try to define clearly the distinctive role of the Foreign Service at a time quite different from that of the world of 1946 when the then existing Foreign Service Act had been adopted. The world of the late 1970's held no more of the traditional colonial empires, but rather a large number of countries labeled developing or less developed.

The lull in the tense relations between the United States and the Soviet Union known as detente largely evaporated with the Soviet

invasion of Afghanistan.

Then the very content of diplomatic business began to change under the impact of environmental problems and sharpened trade disputes. In addition, there were important societal changes taking place in our own country, including the increasing importance of career options for women as well as men, and the question of greater opportunities for minorities.

In this context, we felt it important to use the moment to rethink the kind of Foreign Service that the country needed, and to try to incorporate those directions into practice through a new basic stat-

ute, rather than through mere modification of the 1946 Act.

The initial section of the 1980 Act states very clearly, "The members of the Foreign Service should be representative of the American people, aware of the principles and history of the United States, and informed of current concerns and trends in American life. And knowledgeable of the affairs, cultures, and languages of other countries, and available to serve in assignments throughout

Among the major goals of the Act, I would single out seven that I felt at the time to be particularly helpful and important. One, to make the Foreign Service more representative. Two, to make the Service more competitive at its senior ranks. Three, to create a more unified system. Four, to provide employment opportunities for

family members, and recognize the contribution made by spouses to the Service.

Five, to establish professional development programs. Six, to introduce a degree of predictability in the recruitment and promotion of members of the Service. And seven, to give the employment management relationship the stability of law.

Each goal, of course, had its own history. By way of example, it was the senior surplus, as it was called—too many higher grade officers, and too few jobs-that caused the Foreign Service to move in the direction of more competition in the senior levels of the Serv-

Overall, my hope at the time of passage was that the Act would prove to be not only a framework for a new time, but also a flexible one that could be adjusted without too great difficulty, as needs

changed.

Those are my introductory comments, Mr. Chairman.

[The prepared statement of Ambassador Barnes appears in the

Mr. BERMAN. Thank you very much, Mr. Ambassador.

Our next witness is Pat Schittulli, who is Director of Civilian Personnel for the Headquarters of the U.S. Air Force. He served with the Air Force from 1954 to 1959. Upon separation from the Air Force, he began his civil service career. His early years were spent as a personnel systems analyst. He later served overseas as personnel planning and programming officer. In 1971, he became director of personnel for Headquarters 3rd Air Force, London. He was assigned to the Directorate of Civil Personnel Air Force Headquarters in 1973 as staff planner. Four years later, he was assigned as Chief of the Programs Branch, Plans Division, where we was responsible for personnel program developments across the life cycle spectrum of recruitment, training, development, utilization, sustainment, and separation and retirement of the civilian work force.

He has received numerous awards including the Presidential Rank of Distinguished Executive, Presidential Rank of Meritorious Executive, Air Force Meritorious Civilian Service Award, and Outstanding Junior Personnel Officer of the Year Award. Mr. Schittulli

was also a member of the Thomas Commission.

It is with that background and experience, and his work record that he would provide valuable input to the committee.

We welcome you, Mr. Schittulli.

#### STATEMENT OF PATRICK L. SCHITTULLI, DIRECTOR OF CIVILIAN PERSONNEL, U.S. AIR FORCE

Mr. SCHITTULLI. Thank you very much, Mr. Chairman. I welcome the opportunity to address this subcommittee. I have provided a written statement for the record, and I am just going to take a few moments to kind of pick the highlights out, instead of reading through the entire statement.

As you just indicated, I was a member of the Thomas Commission. And we did work for about 18 months on preparing a very in-

depth review of the entire Foreign Service personnel system.

I would like to take a few moments to highlight some of the items that the Thomas report enumerated. This document was pre-

pared and submitted to the Secretary of State in June of 1989 with a number of recommendations. Two major features, beyond the numerous technical personnel system recommendations, were pre-

sented in the report.

The first, which I think is probably the one that Ambassador Barnes made reference to, indicated that the 1980 Foreign Service Act provided the latitude to accommodate all of the recommendations of the Commission with some minor legislative changes. In other words, the implementation of the Act was deficient.

Secondly, the recommendations of the Commission must be taken and implemented in its totality, if the changes are to become effective and responsive to the requirements of the Foreign Service.

Since we completed our work over 3 or 4 years ago; indications to date are that major aspects of the report still have not been im-

plemented

It must be emphasized that much has happened on the international scene since the completion of our work. However, the changes suggested by the Commission are all the more prevalent today than they were 4 to 5 years ago. Our Foreign Service work force requirements need to be better and more accurately defined. That is one of the major features of the recommendation.

Our recruitment process needs to be streamlined and mirror the diversity of the nation. And again, we did not think that that was

the case.

The assignment and promotion system must acknowledge the cross-functional leadership needs of the Service while meeting the expertise requirements of field operations in the embassies.

The career management process must provide the framework to ensure career progression of the Service members, and the career

stability inherent in the system.

The Service should provide individuals the opportunity to plan a full career through to retirement based upon understandable poli-

cies and programs.

Probably the most important aspect of any human resource system, whether it be a closed or open system, and this one is a closed system, is to provide for the needs of the organization over the long haul. Long range planning to accommodate and respond to the viability of the Foreign Service in the long term and meet those international conditions, which affect our national interest is essential.

That concludes the major points that I would like to make. And I will be available to answer questions, as we open up the discus-

sion. Thank you, sir.

[The prepared statement of Mr. Schittulli appears in the appendix.]

Mr. BERMAN. Thank you, Mr. Schittulli.

Our next witness is Hans Binnendijk, who is presently the Director of the Institute for the Study of Diplomacy, and Marshall Coyne Research Professor at Georgetown University. From 1988 to 1991, he was at the International Institute for Strategic Studies in London as Deputy Director. And prior to that, Director of the Center for the Study of Foreign Affairs of the Department of State. He worked and overcame his past work as a staff member to the Senate Foreign Relations Committee. Prior to that again, the National Security Council staff.

Professor Binnendijk, it is very good to have you here, and look forward to your testimony.

# STATEMENT OF HANS BINNENDIJK, DIRECTOR, INSTITUTE FOR THE STUDY OF DIPLOMACY, GEORGETOWN UNIVERSITY

Mr. BINNENDIJK. Mr. Chairman, it is a great pleasure to be back on Capitol Hill again. I, too, have a longer prepared statement, which I hope could be inserted in the record.

Mr. BERMAN. Without objection your statement will be included

in the record.

Mr. BINNENDIJK. And I have also brought with me copies of the report, which the Institute for the Study of Diplomacy at Georgetown issued last August. It is called the Foreign Service in 2001. I believe that there are enough copies available for those who would be interested.

I, too, would just like to highlight some of the recommendations and conclusions of that report, and also to give you my own think-

ing as it has developed beyond that report.

The first section of the report goes into some detail on the international environment that diplomats can be expected to work in over the next decade or so. And I can just hit a couple of the highlights. I am sure that you are very familiar with this. More multilateral approaches to diplomacy. Local wars will be much more prevalent than larger wars. Emphasis will be placed on global issues and cross-cutting issues. There are 10 points in my prepared testimony.

After looking at the environment in which the diplomats will have to work, we took a poll at a conference that we held, a fairly unscientific poll, which included about 60 current and retired Foreign Service Officers. And some of the conclusions of that poll are

quite interesting.

We asked them first to rank the importance of various diplomatic missions. All of the global agenda issues, the issues that Senator Tim Wirth will be dealing with, all of those issues were listed in the bottom third in terms of the priorities set by this group of peo-

ple. So there is a problem to be overcome.

Secondly, we asked them to evaluate the performance of the Service in a similar array of missions. The conclusion was that in the traditional missions of the Foreign Service, the service did fairly well—things like political reporting and providing citizen services. But when you got into the area of economics, very quickly, it was understood that this is important, but everyone agreed that the Service did not do a good job in the area of economics, commercial issues and business facilitation.

The overall rating that was given to the Foreign Service by this group was a BB. So the question is how do you get from that Bup an A or A+. I would offer for the committee's consideration 10 recommendations. And if I can just very briefly run through them.

The first is that the Foreign Service must be open to greater lateral entry. This should be done very selectively. The purpose is to add highly qualified personnel with needed functional specialties. It was our belief that this is the fastest way to insert needed expertise into the Service at a relatively low cost.

I would just emphasize that strict selection criteria would be needed to do this. Probation periods are needed, and tenuring procedures are needed. We should not just inundate the Service with lateral entry personnel. I do think that the system needs to be opened up to deal with the problems of the 21st century.

The second recommendation is that the Department should encourage greater cross-fertilization between the Foreign Service and the Civil Service, and also among the various components of the

Foreign Service.

We do not urge a merger of the Foreign Service and the Civil Service, as has been considered in the past. But we believe that there are artificial barriers between the Foreign Service and the Civil Service.

For example, Foreign Service personnel should be rewarded for taking assignments at places like the Department of Energy. USIA officers should be able to compete for political counselor posts overseas. And civil servants should be able to bid on selected overseas posts.

Our third recommendation is that significantly more funding will be needed to meet the responsibilities of the Service at the end of this decade. And I recognize that given the budget problems that

this nation faces, that is not going to be easy.

But there is another trend which is important. And that trend is that the intelligence community, which has been spending a great deal of money over the past decades on cold war related issues, now can gather information in a much more open way. So we recommend shifting funds from the CIA to the State Department for personnel positions, especially in needed areas like, economics and global issues.

Mr. BERMAN. Do they concur in this suggestion?

Mr. BINNENDIJK. I am sure if brought to this table that they would be convinced.

Our fifth recommendation is that to fill posts in the new embassies and to deal with global issues, greater emphasis needs to be given to the needs of the Service in making personnel assignments.

Today the Service operates under a so-called open assignments process, which gives most of the control to individual officers, and very little to the Department. As a result, the Department has great difficulty in filling many critical vacancies. I think that a new balance needs to be struck. In addition, I think, longer assignments, especially assignments overseas, should be encouraged.

Fifth, to retain the Service's very best officers, to provide a more secure career for those in the middle, and to weed out those who would be more effective out of the Service, we offer a number of

additional thoughts.

First, more aggressive use should be made of the limited career extension, especially for the best officers, so that they do not have

to leave the Service when their time in class is up.

Similarly, officers who leave the Service for a period of time and want to get back in, who have had useful experience in business, or banking, or elsewhere should be allowed to come back into the Service, just as the competitive civil servant allows. There should be reentry rights.

And in terms of the weeding out process, both the tenuring process and the selection out process really do not work. They need to be reformed.

Our sixth recommendation is that the existing personnel cone system should be modified to conform with the new needs of the State Department as it has been restructured and with the nation's new needs.

For example, we recommend a cone system for global and multilateral affairs to augment the existing four cones in today's system.

We also believe that the multifunctional officer, being one that can operate across cones, that that concept be encouraged, and rewards be given to officers who have those multidimensional capabilities.

Seventh, the personnel system should accommodate and reward more training. Unfortunately, I think there is a belief on the part of many in the Foreign Service that formal training is wasted time, and that they prefer to learn on the job. And there are statistics

to show that that is the case.

To create the right incentives, we recommend a professional certification for Foreign Service Officers, which would be granted by the Foreign Service Institute. Criteria would be drawn up by the Foreign Service Institute. And an officer would be rewarded overtime for his or her work at the Foreign Service and at academic institutions by receiving the certification. And we would recommend that such a certification would be required for promotion to the Senior Foreign Service.

Eighth, after officers are recruited and trained, they must be empowered. The sense of lack of purpose has created real morale problems at the State Department. U. Alexis Johnson has joked that morale in the Foreign Service is always at a low point. But in fact, over the last several years, it has been at a low point. And the

sense of disenfranchisement is the reason for that.

I think that the reorganizations program that the State Department is now undertaking will go a long way in dealing with those morale problems. Because a major element of that reorganization is trying to move power back down to the bureaus where the For-

eign Service Officers by and large work.

But other personnel measures might also be considered to empower our diplomats. For example, individual opinions ought to be encouraged to a much greater degree in memos to avoid bland choices. The drafting officer's work should be more clearly identified. And senior officers, we believe, should be rated on their ability to delegate.

Our ninth recommendation is that we need to think more about the talents available to the Foreign Service on the part of the fami-

lies, and especially the spouses of Foreign Service Officers.

This is a very serious problem in the Foreign Service. And the Service will lose many of its best and brightest people if spouse employment is not addressed clearly. And I hope that this committee can do something about this problem, Mr. Chairman.

There is an American Family Member Associates program now, which has just begun to deal with this problem. They provide security clearances for spouses in some cases, and training for family

members. But much more needs to be done. Many more jobs need

to be identified for family members.

Then finally, Mr. Chairman, our last conclusion is that no omnibus legislation is needed to correct these changes. Some of the recommendations, such as shifting funds from the CIA, might require some legislation. But by and large, the other recommendations do not.

However, the Department has been pushed over the years by these various commission reports to make reforms, and very often changes are not made. So I think that the committee needs to think about how to deal with that. Whether it is strong report language, or sense of the Congress resolution, or in some cases legislation which may not be necessary but does indeed push the Department. I think that these tools need to be thought of. And in your discussions with the Department, you need to decide how far you have to go to press some of these reforms.

Mr. Chairman, I hope that these comments have been useful. [The prepared statement of Mr. Binnendijk appears in the ap-

pendix.]

Mr. Berman. Our final witness is Torrey Stephen Whitman, who has already been referred to by Ambassador Barnes as an architect of the 1980 reforms, and who more recently has had an opportunity to update his own perspective on what has happened since that time by serving on the Commission on State Department Personnel, chaired by Ambassador Nicholas Veliotes, that was authorized in the last Foreign Relations Authorization Act.

He is currently an adjunct professor of history at Towson State University. He was employed by the Department of State between

1975 and 1990.

Mr. Whitman, welcome to the committee.

### STATEMENT OF TORREY S. WHITMAN, MEMBER, COMMISSION ON STATE DEPARTMENT PERSONNEL

Mr. WHITMAN. Mr. Chairman, I thank you for this opportunity to address the committee today. I also should thank Ambassador Barnes. I would have said that I was more a carrier on the Act than an architect, but I will take it.

As that last speaker today, I am in the enviable position of finding most of the good and clever things that I wanted to say already

having been said. So I will attempt to synthesize a bit.

I would ask that my written statement that I have submitted be entered in the record, and I will just, as others have done, give

some brief remarks.

I think that all of the recent studies here, whether they were the Thomas Commission, my own Veliotes Commission, the Institute for the Study of Diplomacy's Foreign Service 2001, or for that matter State's in-house study of Management 2000, that you find several broad themes running throughout these studies. And I would just like to emphasize that I think we do have a lot of things pointing in the same direction here.

I think that most of the people looking at the Department and the management of the Foreign Service feel that the existing centralized personnel structure does a fairly good job at some of its stated objectives. I would say that for the most part in terms of selecting and promoting employees, I think that we found that it does

a reasonably good job.

The Department and its personnel system do much less well at dealing with changing agency mission and environment. The words that I think all of these studies have used, it is surprising how much they crop up over and over again.

We hear about a need to streamline. A need for procedures to be more flexible. Mr. Binnendijk has certainly given us ample evidence of areas in which more flexibility is needed, much of which

I think our report seconds.

I would like to say that our commission has provided perhaps one of the keys on how to get to some of these desirable ends. We think that decentralizing personnel administration within the Department of State empowering managers, if you like, again to borrow from Mr. Binnendijk's terminology, that this is an important

step in the right direction.

In other words, I would like to emphasize that we think that the Department in how it conceptualizes personnel management, how it seeks to go about all of the functions that are necessary to manage people, that it needs to refocus what its personnel managers do, and place greater emphasis within whatever the Bureau of Personnel is going to call itself, place greater emphasis on planning, on evaluating outcomes, and to take more of the operational responsibility of getting people in jobs, and seeing that they have the tools to get those jobs done, and place that operational responsibility more with line bureaus.

In other words, we have heard everybody here talking about a greater need to orient things toward management, empower managers, whatever you want to call it. I think that it all points in the

same direction.

We have a highly centralized structure that I might add eats up quite a lot of resources, and that seems to be spending in our commission's judgment too much of its time trying to keep order in a very large operating environment. We have a centralized system that is spending too much of its time telling people and telling managers why they cannot do things, and not enough time helping managers to get the people in the manner that they need to get the job done.

I would echo my colleague's sense that major legislation is probably not necessary. As somebody who spent some years as a working personnel manager, I would say that most personnel managers in this town would find the State Department in a very envious situation. We have a raft of authorities under the Foreign Service Act, and the Civil Service Act to employ people. Last year in the authorization bill, Congress granted us a brand new authority to employ

Americans overseas.

In other words, we have all of the tools that we need in law to get the job done, to put just about any kind of qualified person that

we want to into a job where that person can get the job done.

All too often what has happened instead is that the Department's central service has focused on this sense, if you like, of trying to maintain equity and maintain order at the expense really of doing much finding and evaluation, or of orienting itself toward end re-

sults, toward favorable outcomes for the people who really need to

get the work done.

I think that if you look at our commission's report, this is what we have chosen to stress. Probably the one area where we have gone in the greatest detail is in the Foreign Service assignment system. We feel that that aspect of personnel management probably represents the worst tendencies in the current system in terms of being overelaborate, eating up too many resources, and not achieving basic objectives. And we have suggested some ways in which that system might change.

I think that the theme of our report and one that I hope that my colleagues would agree with is that better planning and evaluation, and more assessment of work force needs, that has to be done. And

you do need a central approach to do that.

But as for the rest, if you are going to attain that flexibility, if you are going to attain that measured response to changing environment, I think you need to place decisionmaking authority closer to the people who are responsible for getting the work done. And we hope that we have set out some ideas of how that can be done in terms of restructuring the personnel function both internally and in terms of decentralizing some of the power relationships.

Thank you.

[The prepared statement of Mr. Whitman appears in the appen-

dix.]

Mr. BERMAN. Thank you all very much. I once again want to express my appreciation for you coming here. I have a number of questions.

There seems to be a general theme that the 1980 law allowed the flexibility to do all of the different things that you have all sug-

gested.

Is that a fair conclusion? Mr. BINNENDIJK. Yes.

Mr. WHITMAN. Yes.

Mr. Schittulli. Yes, with some minor changes.

Mr. BERMAN. Well, we can get into some of those a little later. But our fundamental concern, as a congressional oversight committee, after hearing report after report after report, with a law which you say would be the envy of personnel managers, and reformers, is that change does not occur. People who see a changing world and new missions, and some problems with the Foreign Service adapting to them, under a structure that provides the flexibility to do something about it, and change does not happen.

Should Congress go one step forward or backward and narrow the flexibility to in a sense direct and perhaps to micromanage the changes that we can pull out of these reports, the common themes that many of them all speak to, and in a sense force this implemen-

tation through legislation?

My guess is that that is possible to do. One can direct. And one can force decentralization. One can condition funding on certain actions taken.

Are we at the point where this is where we should go?

Mr. BINNENDIJK. I think perhaps the best course for the committee might be to see how the administration reacts to the series of proposals that the committee would like to see developed.

What we have had over the last years is a situation in which you have different parties in control of the two different branches of government. And you now have an opportunity with Secretary Christopher as the new Secretary of State to make reforms without

forcing them to do it through legislation.

So I guess that my advice would be to discuss first with him the kinds of changes that the committee sees as being necessary. My sense from discussing this with some of the people involved in the executive branch is that there may be more sympathy for reform there today than there has been in the past. So I would argue that that would be the first step to take.

Mr. BERMAN. Ambassador.

Mr. BARNES. Mr. Chairman, I was Director-General at the time when Warren Christopher was Deputy Secretary of State with Cyrus Vance, and then later Ed Muskie.

And my recollections from that period are of someone who was interested in and concerned with the mission of the Foreign Serv-

ice.

The second point is I continue to believe, even though there is evidence occasionally to the contrary, that the Foreign Service is really much more capable of being responsive to changing condi-

tions than it sometimes shows.

I think, for example, that people in the Foreign Service who on the whole are pretty good at sizing up situations overseas are even capable of understanding this country. And if that is correct, I think there is also a basis for the sort of dialogue that Mr. Binnendijk was talking about with people in the Foreign Service

with the committee.

Finally, my hope would be that you might be able to identify out of the material that is available to you, thanks to these various studies, a couple of areas of priority, which seem to you being particularly necessary for progress over the next couple of years. And then see to the extent to which you can get the new management of the Department, including representatives of the Foreign Service, involved in reaching some sort of understanding about the importance of the same objectives. In the hopes that if that can be achieved, then much of what needs to be done can be done without the type of legislation that you are talking about.

Mr. Schittull. I guess I will be the odd one out. I agree with my two colleagues to the left that given a little time under the new

administration, maybe we may see some movement.

There have been a number of studies done, and each one on their own have provided a number of recommendations. And every time that we are briefed, for example, on the Thomas Commission Report Recommendations, and we have been briefed a number of times subsequent to the presentation of the report, they say we concur and they appear to be moving out in a direction that we had recommended.

But when you look at the heart of any recommendation or the system changes that have been recommended by the various groups, there is always that very significant part that they refuse

to bite, which drives the total system change.

Mr. BERMAN. Take one example.

Mr. Schittulli. For example, the requirements determination process.

Mr. BERMAN. The requirements?

Mr. Schittulli. Right. How many people do you need to do work, and what distribution of the grade structure. I think that Ambassador Barnes will agree with me, that when you have a closed system that is, up, and out, you must have a very predictable flow-through, that is based on requirements, so that you know how many embassy jobs by category is needed. If you do not have this process, you cannot run a promotion system in a closed system. You cannot do all of the things that are so inherent to the day to day management of the service.

The one aspect in our report that we said was so critical they tried to contract it out. It went for 2 years, and they could not come

to a conclusion, thus the project was abandoned.

Mr. BERMAN. You could not come to a conclusion on?

Mr. Schittulli. Developing a system whereby you can determine the requirements. Unfortunately, we have a very free flow process for requirements determination at state. Since all promotions and the inner workings of the personnel system are geared back to the requirement process, one can readily see the breakdown in the system.

So I guess what I am leading up to is give the new administration the opportunity to see if they can attack the process and proposed changes, given all of the tools that have been recommended to them. Failing that, then maybe it is time for the Congress to step in and say we have given you the flexibility and latitude and, since you cannot do it on your own, then we will prescribe to you, just like we prescribed to the military in a closed system, the number of Senior Foreign Service Officers, the number of FSO's and right down the line.

Maybe the time will come that you the Congress will have to prescribe the specifics, so that you can get a handle on what needs to be done to bring the Foreign Service into focus and under control to solve the problems that seem to be apparent to everyone as we

go through and analyze the process.

Mr. WHITMAN. I must admit I am of somewhat of a mixed mind about this. When I think of what in my 15 years association with State were perhaps success stories in this area, I would say for the most part that they occurred when you did have a conjunction within the executive branch of a desire to take the Foreign Service seriously, and to manage problems aggressively.

I think that if you look at the long mostly checkered history of attempting to gain greater diversity within the Foreign Service, probably the most noteworthy progress occurred in the 1970's, and

mainly by administrative action rather than by legislation.

There was alas a whole sad history in the 1980's of this committee and this subcommittee quite properly being concerned about this subject, and attempting to use legislation and oversight authority to make things happen, I would say for the most part without great result.

I guess my instinct though is to say, as Mr. Schittulli has done, that many of these good recommendations, particularly again with

the area of defining work force requirements, have been on the

table for a long time.

And I think that the failure to deal with that problem, the failure to have a good human resources planning system, is what puts so many of these other functions in a constant crisis mode. In other words, the managers are constantly having to over-manage the assignment system, or the promotion system, or the selection out system. Because so little has been done up front, in terms of long range planning, to structure a system that would avoid having all of these short term crises.

Either you see the world that way or you do not. And I fear that most people in State, most of the managers that I have worked for and work with, do not see the world that way. Now how you deal with that exactly, I do not know. But that certainly should be the focus of attention, I would think, certainly in the short run for this committee's oversight function. That I would urge you to be keeping your eye on. Is the Department making progress in that area

of planning and evaluation.

Mr. Berman. Mr. Binnendijk, you made reference to some of the reorganization proposals now being considered, or implemented, or being brought before Congress as precursors in a sense to a more effective Foreign Service.

Elaborate on that: what did you mean, what kind of proposals

are we seeing from the Department of State to help this along?

Mr. BINNENDIJK. I think that there were a number of things that were done. One, there was clearly an effort to move functions back to the bureaus as much as possible, and to consolidate functions in those bureaus. And this is where most of the Foreign Service Officers in work when they are in Washington. That was one major function.

I think trying to highlight the position of office director, which is a fairly senior position usually held by Foreign Service Officers, is a second. The authority of the office director or country director had eroded over the years, in part because of the proliferation of deputy assistant secretaries. There was a clear effort in the reorganization—

Mr. BERMAN. Give me as example—an office director—where

does that fit in exactly?

Mr. BINNENDIJK. The office director would be the rank just below the deputy assistant secretary.

Mr. BERMAN. A desk officer?

Mr. BINNENDIJK. Well, it would be a country director. And then the country director would have individual desk officers underneath him or her.

Mr. BERMAN. Are you talking about here in Washington? Mr. BINNENDIJK. I am talking about Washington, yes.

The reorganization of the Department has not focused to a large degree on the overseas mission. It has been the State Department where the focus has been.

For example, Secretary Christopher has said that when foreign heads of state come in to meet with him, very often it was the assistant secretary in the past who would be there as the note taker. In the future that will be the desk officer. So it is an effort to reach down into the bureau itself, and to develop and take advantage of

the expertise that is in those bureaus.

That again is where the Foreign Service Officers by and large are. And it is good for morale I think to do that. It also makes good foreign policy.

Mr. BERMAN. Are there any other changes being made that you

have heard of which would improve the situation?

Mr. BINNENDIJK. With regard to the Foreign Service morale? Mr. BERMAN. And reorganization in the State Department.

Mr. BINNENDIJK. There are a large number. I am sure that the committee will be briefed officially by the Department.

Mr. BERMAN. I am just wondering to what extent.

Mr. BINNENDIJK. I am a little hesitant here, Mr. Chairman, because I was involved in the transition, on the transition team, and was deeply involved in this reorganization. I would feel better if the Department itself came up and briefed you on it.

Mr. BERMAN. I would like to address the issue of the generalist notion versus the specialists. Congress, we are the ultimate generalists, and we could not even pass the Foreign Service exam. So I do not want to knock the poorly informed generalists too much,

much less the very well informed generalists.

But one sees so much of what seems to be really critical in diplomacy and in world affairs now, detailed negotiations on tariffs and aspects of intellectual property, and financial services in a global economy, or complicated notions of disposing of nuclear warheads, areas where a deep emersion in some very specific areas—in some cases, where sophisticated scientific knowledge is needed—seems more relevant for getting the task done than the kind of process that one thinks of in the Foreign Service, of this wide knowledge, and ability to deal in many different areas.

But in the end, we see the consequence of that in the proliferation of these people in other agencies that are performing these functions, whether it is in Commerce, or in the Special Trade Representative's Office, or in ACDA. Or whether it is people brought in from the outside, not as part of the Foreign Service, even if it is within the State Department to undertake these missions. Some of you alluded to it in terms of talking about the ability for lateral

entry and mid-career entries.

But does this also argue then—we cannot just have the whole bureaucracy expand—does this argue for narrowing the base of new recruits, and promotions of the more traditional kinds of Foreign Service Officer?

Mr. Schittulli. I think we addressed this issue in depth. In fact,

our recommendation was to eliminate the cone system.

Mr. BERMAN. To eliminate the cone system? Mr. Schittulli. To eliminate the cone system.

Mr. BERMAN. Is that not a form of specialization in a way, in any event?

Mr. Schittulli. To some extent. And what we are saying is eliminate the cone system and establish a number of functional categories, but at the 04 through 02 level. After the individual does a specialization or expert work, they must go through more than one or two of these categories in order to progress up the ladder of responsibility. When you get to the 01 and above level, you are

now beginning to broaden the talent that is needed in leadership

and managerial roles.

Therefore, you are really combining both; you are providing your-self the capability for experts when you need them and broad managers. We have a whole series of categories. We are talking about energy and economics; we are talking about regional specialization, I can go on and on. There is a whole series of them. Science and technology, nuclear proliferation, et cetera.

Thus, you start to bring all of this talent into the system. You bring these people in through the system, it could be laterally, if you feel you need to have that talent, and you cannot find it through the bottom up process, or you can go to the universities and recruit them. You then make them go through a series of career opportunities to cross-train or gain cross-functional experience.

Now you have, I think, somewhat of the best of both worlds. You can, as you look at these individuals, start to identify those that have the leadership abilities that can go all the way to the Senior Foreign Service, or there may be those who do not have it. These individuals remain as specialists or experts up to a certain point, and then move on out of the system through the natural process.

So I guess that there is a place for both parts, the generalist and the specialist, and in some way to meld the two. I thought that we

had addressed that issue.

Mr. WHITMAN. I agree that maintaining a mix of generalist and specialist I think is the right overall approach. What is open to question in my view is whether or not we have the right mix right now. And I am thinking here for the moment very baldly in terms of numbers.

When you have over 4,000 Foreign Service generalists within your professional ranks and a very considerably smaller number than that of specialists, I think that we should be open to consideration and open to reviewing the question of whether or not a smaller more streamline generalist corps and a larger number of specialists, including almost certainly a larger number of people who would be moving in and out of the Department as opposed to being career Foreign Service people.

We need to look at whether or not that is the right mix. And to come back to my favorite point, I think that you need a better planning system with better inputs to be able to make that kind of de-

termination.

Mr. BERMAN. And that, you think, cannot come from this heavily

centralized personnel system?

Mr. WHITMAN. I think that is something where you need a central function to run the planning system. The inputs have to come from every bureau. But you do need some kind of a central management operation, whether it is in the MFRA front office, or PER, or whatever it is to make those kinds of assessments.

For as long as I have been associated with the Department of State, the Department has been seeing itself on the up curve here building its capacity. And I do not think that the results have arrived yet in any way that certainly managers of the Department feel that they can take any confidence in, in terms of actually basing resource decisions on long range planning and work force needs.

Mr. BERMAN, Ambassador.

Mr. BARNES. To a certain extent, I think that this is a false dichotomy in this respect. Given the nature of the work of the Foreign Service, I find it difficult to think that somebody could be a very good generalist without having a fair amount of what I would call specialized culture, that is understanding of certain key aspects of the world, which has to be part of the intellectual capacity of anyone who would pretend to represent this country.

The report that the Institute had done, and correct me if I am wrong, for example, talks about the importance of economics. The importance of economics as something that is essential for anybody in the Foreign Service. I would add to that a good sense of science

and technology is absolutely essential right now.

So on one level it seems to me that your generalists need to be equipped with this broader culture to which I am referring, and your specialists need to have enough of a sense of what is going on in the world, or at least the particular type of world where they are working beyond their specialty in order to be able to form that specialty.

So I think that I would agree with Torrey in the sense of the importance of reviewing, and I would say periodically reviewing, what is the right mix of people who are more specialized rather than less

specialized, or more generalized rather than less generalized.

And secondly, I would agree with the comments that my other colleagues have made about the absolute necessity of knowing what it is that is required in terms of talents and abilities as a basis for any rational allocation of how one both seeks to bring people into the Foreign Service be it at the beginning levels or at mid-career levels, and how one uses them during the course of a career.

Mr. BERMAN. I want to followup on this a little bit more. But if I can, let me just recognize Mr. Gilman to pursue some questions.

Mr. GILMAN. Thank you, Mr. Chairman. I regret that we have a distinguished foreign visitor in the anteroom, and I will have to

leave us in just a few moments.

A number of advocates for the elimination of the Foreign Service argue that the geographic issue definitions are artificial, and that the critical problems of our time, environment, human rights, migration, terrorism, for example, are neither domestic nor foreign, but are actually both.

Pursuing that line of argument, one can argue that a separate Foreign Service no longer has a legitimate place in U.S. Govern-

ment.

How do you respond to that argument, and I address that to all

of the panelists.

Mr. Schittulli. This is me talking, not the Thomas Commission speaking. During the initial deliberations of the Thomas Commission, of the five commissioners, I proposed or at least put forward the thought that what you have just said is the case in the long view. And I am going back now 4 or 5 years when we were looking at this.

And I said that we should have one State Department system. You can call it what you want, the Foreign Service, or the State Department Personnel System, or something like that. That com-

bines the Foreign Service requirements overseas as well as the in-

ternal State Department requirements.

And the rationale for that was that you need to move the people back and forth between your overseas needs and your stateside needs. And as the world becomes smaller and is no longer bipolar, and it is becoming multipolar, that we need to have a closer knit between the stateside operation, the Washington operation, and the requirements of our overseas embassies.

And I had proposed and really did not make a strong enough case to my colleagues that this would be a very radical departure. In other words, way out here, and changing the whole structure

and doing away with the Foreign Service as we see it today.

So I guess that I am coming down on the side that maybe it would not hurt if one wanted to really look at this. Again, I consider myself a visionary and long range planner. I am always out there somewhere 10 to 15 years out in the future, and I think that whoever has crafted that question is I think sort of a visionary and realizes that maybe the time has come for someone to look at this whole process, and review the model. Is it the continental model, the stateside model, or is it a new model that we should be seeking. And I think that is kind of what you are addressing.

Mr. GILMAN. Are there any recommendations for that model?

Mr. Schittulli. I had devised some recommendations. They are kind of almost like blackboard type things, four or five pages of my thoughts on how to do the thing. I am sure that I can give it to some of your staffers and let them take a look at it, and see if there is any value to it at all.

Mr. GILMAN. Is it a formal report?

Mr. Schittulli. No, sir. This is me. It was the initial discussions as part of the Thomas Commission. And when we were talking in the initial phase as to how do we actually look at the Foreign Service. And I went out there in left field.

Mr. GILMAN. I think that both Mr. Berman and I, and our staff

would welcome copies of that.

Mr. SCHITTULLI. I will provide them.

Mr. GILMAN. Thank you.

Mr. Binnendijk.

Mr. BINNENDIJK. Thank you, Mr. Gilman.

During the 1950's and 1960's, if I am not mistaken, there was a trend in thinking in the direction which you suggest with the Wriston reforms, and then later with the Herter Commission, to move in the direction of a single service which combines Foreign Service and Civil Service.

And that thinking was reversed in the mid-1970's with the Murphy Commission. In fact, the legislation that we are now looking at, the 1980 Act, is an implementation of many of the recommendations of the Murphy Commission. An implementation of the reversal in fact of the trend that you were just suggesting.

So we have gone through this history of thinking about a single system and rejecting it, and moving back in the direction of a firm

dual system with the Foreign Service and Civil Service.

I think that what sets the Foreign Service aside from the Civil Service is a willingness to serve anywhere overseas. And in order to do that, and to do it over the period of a career, you have to be

more of a generalist than a specialist. This is getting back to the chairman's earlier question. And that may in fact be the trend in the future as well, as we look at some of these small storefront

posts.

If you look at Tajikistan and some of the other countries where we have opened up embassies, they are very thinly staffed. And the people who are there have to do everything across the boards. They have to be generalists. They can afford to be specialists when they come back to Washington.

And Mr. Chairman, in fuller answer to your earlier question, I

think the Foreign Service Officer should be both.

Mr. GILMAN. Are they trained for these specialties as a generalist?

Mr. BINNENDIJK. By and large, not enough, not enough. And I

think that is the role of the Foreign Service Institute.

But if you want to have a Foreign Service, which is prepared to send people overseas at the needs of the Service and to send them almost anywhere the Service wants them to go, you cannot do that with a combined Service. Because many people in that Service will be dedicated to staying in Washington, and will not go.

Mr. GILMAN. Is there periodic retraining required now in the var-

ious specialties?

Mr. BINNENDIJK. There is some training. There is an emphasis on language training. Of course, there is the introductory course, the AB 100 course, when you go in.

Mr. GILMAN. How about after a period of time, any retraining? Mr. BINNENDIJK. Periodically, officers go back for things like the senior seminar. For example, if you wanted to be a specialist in energy policy, you would probably not go to the Foreign Service Institute.

Mr. GILMAN. What about for generalists to get some of the latest thinking, is there a periodic requirement that they come in and get

a rehash of what is out there?

Mr. BINNENDIJK. From time to time, they do go back for training. You have the senior seminar, for example, which serves that purpose.

Mr. GILMAN. How long is the senior seminar?

Mr. BINNENDIJK. That is for very Senior Foreign Service Officers. And that lasts 9 or 10 months. It is a very intense and very good program.

Mr. GILMAN. How often are they called back for senior seminar? Mr. BINNENDIJK. I think that there are thirty or so people in the senior seminar. Most Foreign Service Officers, senior officers, are not in the senior seminar. There are only a select few.

Mr. GILMAN. Who makes that selection?

Mr. BINNENDIJK. The Personnel System, I believe. Mr. GILMAN. That is only a very small number.

Yes, Ambassador Barnes.

Mr. Barnes. If I may supplement that a bit. And those of you who are more current can correct me. Essentially, at the senior level, there are several opportunities or have been several opportunities for training. In addition to the senior seminar, there have been opportunities for Foreign Service Officers for example to attend the National War College and the service war colleges as well.

One of the efforts that we attempted to make in the 1970's and which has not been followed through, if my understanding is correct, was try to introduce in the mid-career level a training program such as you are describing, an opportunity for people in the Foreign Service from the different areas, different specialties, to get a sense of current developments in matters which may not be necessarily their specialty, but which are relevant to the work that they are doing, as a way of really refreshing their skills.

That is the sort of thing that parenthetically seems to me is important in terms of making sure that the Foreign Service does remain aware of changes in this country, in terms of changes on a

worldwide basis, that are relevant to what anyone is doing. Mr. GILMAN. Is that being done now, Ambassador Barnes? Mr. BARNES. Is that being done now? Not that I know of.

Mr. GILMAN. Mr. Whitman.

Mr. WHITMAN. The idea of sort of broad based or compulsory

mid-level training has not remained in effect. Congressman Gilman, to go back to your question about whether a single service or a dual service, which model might make more sense. One aspect of this question or one way to address it is to look at doing Foreign Service work or overseas work in terms of economic competition.

You might say that when you have a dual system, what happens is that those Foreign Service rules and procedures have the effect of intensifying competition for jobs within the Foreign Service, and I would say largely unintended effect of sheltering the Foreign Service from outside competition from Civil Service people, and

from nongovernment people.

For a long time, I would think that most observers would say that those two principles, if you like, worked relatively well for the Foreign Service. And maybe what we are all questioning now, and what the Institute for Study of Diplomacy explicitly questioned, is whether or not the Foreign Service needs to be opened up to more outside competition.

I would say that that is a good idea. And frankly, that the greatest beneficiary of this would be the Foreign Service people themselves, who I think would benefit in effect from being challenged

a little bit more.

I do not think that means that you eliminate the Foreign Service. I would drift toward keeping the dual system, but encouraging more competition among all kinds of government and nongovernment employees for these jobs.

Mr. GILMAN. Mr. Binnendijk.

Mr. BINNENDIJK, I think that you have hit on a very important point, which is the lack of training in the middle of the career.

Mr. GILMAN. Would you move the mike a little closer.

Mr. BINNENDIJK. You have hit on a very important point, which is the lack of training in the middle of the Foreign Service Officer's career. There is fairly intense training in the beginning. And there are many opportunities at the end. For example, at my Institute, we have many Senior Foreign Service Officers there rotating through. But it is in the middle where the problem lies.

And this is really what we were trying to get at when we talked about the need for certification. That the Foreign Service Institute would certify officers. And before they could be promoted into the Senior Foreign Service, it would be comparable perhaps to a masters degree or other professional certification. And this would include the requirement to go back and to take the kinds of courses that you envision.

Mr. GILMAN. I am surprised if there is not more formal retrain-

ing along the path.

It would seem to me, Mr. Chairman, that we ought to explore that a little bit. I do not know that you need a 9 month course to do that. It would seem to me periodically that there ought to be some retraining of our generalists who are scattered all over the globe.

How many Foreign Service Officers are there out there, what is

the total?

Mr. WHITMAN. Altogether it is about 4,400 Foreign Service generalists.

Mr. GILMAN. 4,400?

Mr. WHITMAN. That is both overseas and in Washington.

Mr. GILMAN. We are only training about 30 in a year, Ambas-

sador Barnes, is that what you were saying?

Mr. Barnes. I think that Mr. Binnendijk was referring to the senior seminar as one example of training. That would be the training at the senior level. In any given year, I would guess there might certainly be 50 or maybe even 75 people in other training programs at other stages, that is the economic course.

Mr. GILMAN. It sounds as if there is a dire need for some retrain-

ing.

I want to thank you, Mr. Chairman. I do have some of our foreign visitors to meet. Thank you.

Mr. BERMAN. Thank you very much, Mr. Gilman. I think that

this is an area worth pursuing.

Let me read you a paragraph of a criticism here, which some of you I think have touched on in your description of the personnel

system.

"The mechanics of the Foreign Service personnel system are almost entirely FSO generalist controlled. Almost all senior personnel management positions are generalist staffed, as is the leadership of the sole labor representative at State. Senior personnel managers are members of the bargaining unit. The effect is an impediment to changes which run counter to generalist traditions. The effect is also relegation of the interests of other employee groups to secondary status. Civil Service employees at State are with a few exceptions unrepresented by any organization."

Do you consider this to be a serious problem, a contributor to mo-

rale problems of the non-Foreign Service people?

And another question occurs to me at the most unsophisticated and gut level. Regarding some of these personnel functions or some of the administrative functions in embassies, and perhaps even some of the consular functions, why are these considered to be Foreign Service jobs; what is there about the Foreign Service training that makes someone more likely to be good at running a personnel system or dealing with the kinds of work one does in a consular role, or running an embassy for that matter, and making sure that all of the logistics and details are undertaken and carried out well?

Are we paying more and investing more than we need to invest to get people who might be almost by nature less proficient at

these duties?

Mr. WHITMAN. Well, I will begin. Our commission certainly found that in some of the areas that you have cited that it would indeed we thought be possible, and in fact there was demonstrable evidence, that a much broader array of people could do say visa work in the consular function or many of the administrative functions than just Foreign Service generalists.

Again, I think that the question that arises here is not whether or not you wish to exclude all Foreign Service generalists from doing that work. Certainly, there would be money to be saved I think in terms of salary, and benefit costs, and travel costs to the extent that you could find suitable kinds of employees from other

occupational categories or from other personnel systems.

I think that insiders would tell you with some justification that you do need to give junior officers some experience in some of these lines of work, if you are going to supervise and manage an embassy at the broadest level someday. If you are going to be in charge of the conduct of relations with a country, you need to know how that consular function works. You may need to know how that administrative function works.

It is open to question I think whether you need such a heavy concentration of Foreign Service generalists doing this work, and such a sort of sprinkling or gap filling occasionally by other people in

some of the functions that you have named.

Our commission recommended again that the Department take a serious look at this in terms of trying to use its resources a little more wisely. I think the dollars would go further, if you had generalists concentrated in other areas, and other categories of people

doing this work by and large.

Mr. BARNES. I would add only this much and risk a little bit of repetition where I talked earlier about specialized generalists and generalized specialists. Certainly, from the standpoint of being an ambassador, there were a number of crises that I had to face. Among those crises were visa crises. And having had the opportunity to be a visa officer, having some sense as a manager of the pressures on people in that work, it made it at least somewhat easier for me to be able to handle that type of crisis when they arose.

Secondly, a generalist, as I understand it, is someone who has a real sense, or is able to develop a real sense, of the culture, the conditions, and the language of the country where that person is working. And particularly when you are dealing with often intractable problems, be they of an administrative nature, or the sorts of things that a consular officer comes across, these so-called general skills are absolutely essential in order to be effective.

So again, I do not see as much of a distinction between a specialist or a generalist in this case, perhaps as implied in the questions.

Mr. BINNENDIJK. Mr. Chairman, three quick points. There is a vehicle for change in the position of the Under Secretary for Management. This position, at least over the past few years, has not been a Foreign Service position.

Mr. BERMAN. Which position?

Mr. BINNENDIJK. Under Secretary for Management, a very important position in the Department in terms of this whole set of issues.

Mr. BERMAN. I rest my case.

Mr. BINNENDIJK. So here you have a very powerful position, which is not a Foreign Service position, and is potentially a vehicle for some of the change that we have talked about.

Mr. BERMAN. Let us follow this a little more closely.

What do I conclude from the fact that the last two Under Sec-

retaries for Management were not Foreign Service Officers?

Mr. BINNENDIJK. Your question was has the Foreign Service completely captured the system to the point where change is not possible.

Mr. BERMAN. The Director-General is a Foreign Service Officer. Mr. BINNENDIJK. But the Director-General reports to the Under Secretary for Management.

Mr. BERMAN. And the Under Secretary reports to the Secretary,

and the Secretary reports to the President.

Mr. BINNENDIJK. Here you have a person who spends a great deal of time or her time thinking about these issues, personnel issues. And so here at least is an example of a very senior person who may be receptive.

Mr. BERMAN. That is a funny notion. The Under Secretary of Management is not a Foreign Service Officer. But the chief administrative officer in every embassy is a Foreign Service Officer.

Mr. BINNENDIJK. That is right. The Deputy Chief of Mission is almost always a Foreign Service Officer. The Deputy Chief of Mission, as you suggest, that is the key management person with the embassy, unless a problem has to be elevated to the ambassadorial level.

But I would argue there that these are people who have come up through the system and know the ways of the system. They are not making the big decisions. They are making the embassy decisions. And I think that the experience of the Foreign Service is important. And it is correct that the DCM should be in fact a Foreign Service Officer.

The third point that I wanted to make, Mr. Chairman, relates again to the role of the Foreign Service spouse. You mentioned the Consular Service and some of the other personnel and management functions. This really gives me an opportunity to come back to what I hope is something that the committee could take an initiative on. And that is the role of spouses and other family members.

Mr. BERMAN. You mentioned in your testimony that spouses per-

form some of the visa functions in some of the embassies.

Mr. BINNENDIJK. Correct. They are involved in adjudication and they are often some of the most sensitive consular decisions. And so here is an opportunity to save money and to use assets that are already overseas at post. And to save some very good Foreign Service Officers, who if we do not have breakthroughs in this areas are going to leave the Service.

Mr. BERMAN. Ambassador Barnes, what you say has a lot of meaning to me. I can imagine that for the person who becomes the ambassador and the wide variety of things that they are called to do, the generalist background and the variety of experiences that they may have done at different posts in the Foreign Service, all

of that could be of tremendous value.

The other side of the coin is that only 2 out of every 100 Foreign Service Officers become ambassadors. So when you deal with these questions of costs and trying to make room for lateral entries and the budget constraints, it is hard to get a handle on, as is trying to take a system here and figure out the mix that all of you have talked about. Or to the extent to which one spends more time taking the generalist and giving him a little bit more training.

You do not have to know how to take apart a nuclear warhead

to learn enough to understand the fundamental parameters, as long as you are advised by someone to participate in negotiating or reviewing the negotiations of that kind of complicated and scientific process. I do not know where all of this leads, except that this gets

a little squishy.

Mr. BARNES. I think part of where it leads is to try to make sure that there is, I guess for want of a better word, a system of continuing education, whereby as Congressman Gilman was suggesting earlier that there be consciously an attempt to train or retrain

people in the Foreign Service.

I agree with you that there are a number of things which one can learn about and develop sufficient capability therefore to know what questions to ask, and what information to seek, and to whom to turn, to learn more when one needs to learn more, without having to become a complete expert in everything oneself.

I think that involves what I would call a general culture, which implies a training program that goes throughout the career at certain important stages. Mr. Binnendijk has talked about the idea of

certification as being one way of reaching part of that goal.

And secondly, the question that we discussed already, which is starting with the needs or determination of the needs in order to be able to know what it is that one has to have, and therefore to

be able to develop and adjust as required the mix.

Mr. BERMAN. But that really does not happen right now, does it? There seems to be this determination of needs. You have this Foreign Service. I forgot the term of art that is used, but people move up and get promoted. Things sort of propel themselves based on personnel or personal expectations of individuals and competitions in narrower situations. Not in the context of filling needs decided by some central organization in charge of handling all the different aspects of our diplomatic affairs.

Mr. BARNES. Now there is a system of sorts that determines that you need an economic officer here, and you need a consular officer

there. That exists.

Mr. BERMAN. Does it exist beyond the fact that an economics officer left here and a consular officer left there, or that we have a formula for every thousand visa applications, we need to get a new consular officer?

Mr. BARNES. In that particular case, certainly a given intensity of visa applications; yes, you do need a certain number of visa offi-

cers to be able to handle that.

My point is, Congressman, that there is a system that works, but not very effectively. Because it is not in my judgment conscious enough of what the longer term needs are. Take, for instance, the broader area of science and technology, or even more narrowly the

question of environmental problems.

I do not have the impression that it is clear what those problems demand in terms of development of skills, either people who need to be brought into the Foreign Service, or people who are already in the Foreign Service who require additional training, to be able to provide advice and judgment in that context.

And that I think is what my colleagues have been talking about in terms of developing a much more adequate understanding of what the requirements and what the needs are of the Foreign Serv-

ice.

Mr. BERMAN. One thing that I do sense is that we may have a President who is the greatest generalist/specialist that I have ever seen.

Does anyone else want to comment on this? We can get back to it because I want to give my colleague, Mr. Menendez, a chance to

get into this discussion.

Mr. MENENDEZ. Thank you, Mr. Chairman. I regret that I had to come in late. I was with the EPA administrator on a pressing district problem. But I appreciate this opportunity. I have not had the benefit of reading or hearing the testimony of the panel, which

I heard has been very compelling.

I do want to take, with your indulgence, Mr. Chairman, one maybe small aspect of this but a very important aspect. And I commend you for having this hearing on the prospects for reform. I want to, if I can, piggy-back on some of your comments that you made in your opening statement where you talked about the Foreign Service having an honored ancestry in U.S. history. And so has our Hispanic community.

And where you talked about the nation's best and brightest being called upon to undertake this nation's diplomacy, and being adaptable and flexible to meet new challenges. And in that respect, Mr. Chairman, I would like to bring to your attention and to those of our colleagues who will be reading some of this testimony the concerns that I have as it relates to the number of qualified Hispanics

and women employed at the State Department.

And it seems to me, based on my analysis of the personnel situation, at State that I have come to the conclusion that Hispanics are under-represented at all levels of the Foreign Service. And I think that we have got to find a more productive and efficient way of getting Hispanics into senior level opportunities that deal with a broad range of responsibility, not just simply limit it to ARA for example.

And I think that we need to ensure that the process functions efficiently and smoothly for years to come. And if it has not done so already, Mr. Chairman, I hope that we encourage the Clinton administration and Secretary Christopher to make increasing Hispanic employment in the State Department an early priority.

In 1990, Hispanics represented 9 percent of the U.S. population. And if that continues to grow, it will be one of the fastest growing minorities by the term of this coming century. Yet they represent only 4.2 percent of the entire Foreign Service. And according to state equal opportunity employment figures, this totals 216 His-

panics in a Foreign Service of 5094. I think that we can do better, Mr. Chairman. And I think that it is time that we did better.

And here are some of the statistics that I find a bit disturbing frankly. In all of our embassies abroad, there is only one Hispanic Ambassador, Ambassador Cresencio Arcos, who serves in Honduras. At the senior executive level, there are a total of 10 Hispanic men and not a single Hispanic woman.

Is it not reasonable that we ask the State Department to do more? It seems reasonable to me that we should. And hopefully, maybe some of the panelists will be able to share some of their

comments on this.

Fortunately, it would appear that there are mechanisms already in place which the Department can use to remedy the situation. But unfortunately, it would seem that these mechanisms appar-

ently are not being used optimally.

I think that the Department can act. For example, it can fund its recruiting plan to begin to attract more Hispanics. It can also give Hispanics a place in the selection process. Once hired, I would hope that we would look for adequate opportunities for advance-

ment to senior positions.

We are not asking for handouts, Mr. Chairman. We are asking for a fair shot. I hope that the Department would consider its retention and advancement for Hispanics in this process. And I am concerned also that those who are highly qualified seem not to be able to be promoted into the Senior Foreign Services and the Senior Executive Services.

Now most of us in this room are professionals. And we know that promotions are influenced to some degree by established networks and patterns of professional and social relationships. And maybe that is a factor here as well. And if it is, the fact that they are presently so few Hispanics at the senior levels of the State Depart-

ment would appear to perpetuate the problem.

I am also aware that the State Department has reaffirmed its commitment to the EEO and affirmative action aspects in response to the legislation, most notably the 1980 Civil Service Reform Act

and the Foreign Service Act of the same year.

I appreciate that, Mr. Chairman. But what I appreciate less are the results. It is my understanding that the Department has the worst record of all of the Federal agencies concerning the length of

time that it takes to resolve an EEO complaint.

According to the Inspector General's report, there remain more than 130 unresolved cases of 3 years or longer. I further understand that recent reports address this question and make recommendations. The Department of State's multiyear affirmative action plan. The Department's ombudsman report. And the Office of the Inspector General's report.

I wonder if some of the panelists can refer to those reports, and tell us where they can comment on them and where they see some of the EEO cases, what is the problem in the process of establish-

ing of resolutions of those cases.

I am seriously concerned about this. I think that we have some of the best and brightest, Mr. Chairman, to offer our nations in terms of the Diplomatic Corps. And I regret to say that at this

point we have not drawn upon an ever increasing part of this nation's population to serve our country, which they wish to do so.

I hope that through your leadership and the opportunity that you provided today in this forum to begin to address some of those

questions.

I would like to, with your indulgence, Mr. Chairman, for the record offer some policy suggestions, which I do not want to go into at length here.1 But hopefully, they will begin to be a catalyst for discussion as to how we move forward. And I appreciate the opportunity that you provided me today.

Mr. BERMAN. Thank you very much, Mr. Menendez. I will include these written policy recommendations in the record of this

hearing.

Before the witnesses respond, I might say that the general theme of the conversation so far is to what extent the 1980 goals, which you already spoke to, and the very important one that Ambassador Barnes and others mentioned in their initial testimony, have not been implemented. This sounds like a priority item in terms of goals not being achieved, notwithstanding the direction of that law.

Also, I urge you to bring this up again when we hear from Secretary Christopher and Under Secretary Atwood in April as we

begin drafting our bill.

As to the issue raised by Mr. Menendez, does anybody from the

panel care to respond? Mr. Whitman.

Mr. WHITMAN. This is an area that I have dealt with for a long time. Usually on the receiving end as a department spokes person or congressional flak, I suppose you would say. And just to sort of put it in basic terms, when you have a shortage of people-and I believe that your numbers are right on target, from everything that I now know about and recall about the Hispanic situation—there are three ways that you can address it.

You can look at it from the agency's point of view. You can look at your selection procedures to see if they are actually discriminatory. In other words, in terms of who expresses interest to work for

you. Are you giving those people a fair shake.

The Department has certainly had its share of problems in that area. I would say frankly that is probably where the Department and its examination procedures are relatively strong at this point.

I think that things are in decent shape there.

The question though that then arises is are you as an agency doing everything that you need to do to really recruit, to get people to express interest. One of the things that our commission suggested was that we thought that the Department's recruitment budget was just laughably small frankly. There was very little

money and effort being spent on engendering interest.

It is my understanding that this year's budgeting includes a very substantial increase. I hope that is so. I hope that some results flow from that. But that is an area in terms of intake and in terms of getting new people into the system to keep your eye on. Is that money really going to be there, is the Department really going to spend some of that money to visit places where there are talented Hispanic Americans who want to engage in overseas work.

<sup>&</sup>lt;sup>1</sup> See appendix.

The third area obviously and one that is discussed less often is this whole question as it is sometimes called of lateral entry, bringing in mid-level professionals. One of the side benefits, if you will, of a program that opens the Foreign Service up more, whether it is to Civil Service people or to outside professionals, is that you then gain access to a whole wealth of mid-level people, be they women, African Americans, and Hispanic Americans who are out there who have demonstrated talent, who for a variety of reasons are not very interested in being junior Foreign Service Officers or junior level specialists.

That is another area where I think that this committee might want to turn to. The Department has had a mid-level hiring program for a long time. For the last 5 or 6 years, that program has been under something of a cloud, because of conflicting legal interpretations about the extent to which affirmative action processes could be used in that program. That might be something where

perhaps some clarifying legislation would be very helpful.

Mr. BERMAN. Mr. Binnendijk.

Mr. BINNENDIJK. I think that this entire question is a very serious problem for the Foreign Service. The 1991 statistics that I looked at indicated that 66.1 percent of all of the Foreign Service generalists are white males. And a lot of improvement is going to be required to rectify that situation.

In terms of African Americans, the statistics are 5.14 percent, using again 1991 statistics. So there is a problem there as well.

And I agree with Mr. Whitman that the first problem is recruitment. By and large, the Department has not recruited aggressively. And the reason for that is you have so many applicants coming in for so few positions that they do not feel the need to really go out and recruit. And more must be done in terms of recruitment at the bottom level for bottom entry.

For example, at Georgetown we run a Ford Foundation financed program which places 10 minority students from around the country into U.S. Embassies for a summer. It improves the chances that they will join the Service and it costs only \$50,000. The committee

might consider an expanded program.

The second point is with regard to lateral entry. The lateral entry program has been in fact used to hire minorities. There have been problems, as was indicated. The problem is that when minorities come in with lateral entry, that they come in to a fairly hostile

system.

They have moved in in the middle of a culture that has developed over the years, and it has developed as a bottom entry culture. And what is really needed therefore is once you have minorities and women moving in in a lateral entry system is to have mentoring programs for them. In this way they would not be as isolated from the culture that they land in, so that they can function more effectively in it.

Mr. MENENDEZ. With reference to two questions. One, I think,

you partially answered on the mid-lateral entry process.

Other than the hostility—and I can understand, maybe I do not accept it, but I can understand, the issues that are raised—has that found to be the quality of service of the individuals, has that been in question?

Mr. WHITMAN. I would say, like so many other things, that it is a matter of perception. If I were to look at this just as purely a statistician as a work force planner, I would personally conclude that the program has been something of a success. I would look at something like 200 or 200-odd people hired over periods of time as far back as the mid-1970's.

And if I look at the promotion rates, the likelihood of these people gaining tenure and so forth, I would say that it has been a useful program. That these people seem to be blending in, and making

their way in the Service.

I think what happens is, as with many special programs, is that a lot of people in the system know one, or two, or three individuals who were genuinely not very good. You know, there are wrong decisions made to hire them. And if you are of a mind to, it is very easy to allow that to become the dominant perception of what the whole program is like.

I do not say that to justify the relatively widespread hostility that I think that Service has toward the program. But that is a fact of life. That is part of what the problem has been. On the merits,

I think that it has been a pretty good program.

Mr. MENENDEZ. Obviously, the Department is not unique to only those at entry level and move up. We make people Secretary of State who have never been in the Department's process. And they lead our Nation's foreign policy in conjunction with the President. So if one can make the argument that you can only be good at this if you enter at the entry level, then obviously we would only make people Secretary of State who went through the entire process

within the Department.

My question, if I may, Mr. Chairman, and then I have no other is that while one argument can be made that yes, it is recruiting, and once you do recruit qualified people. The question is, and I think that I raised it, we seem to get pigeon holed within the Department. And another challenging part of it is not just a question of money, of improvement in income, which is one thing. But the challenge of having a different array that many other people are used to within the Department in terms of where their service geared toward.

And we seem to get pigeoned in the Americas. And that is a great opportunity as well. I do not demean that by any stretch of the imagination. But our visions are not limited to within the

Western Hemisphere.

How do we overcome that issue?

Mr. Whitman. In terms of, if you like, sort of pushing down these questions of what constitutes discrimination, pushing them down from an agency-wide level to a bureau level, obviously you can do so administratively if you so choose. The Department would have it within its power if it wished to to set policies and procedures to ensure that Hispanic Americans were serving proportionately or something close to that in East Asia say, as well as in Latin America.

How you go about it in a procedural fashion, you can put the onus on the bureau that is filling the job. Say you have got 200 jobs in the Middle East that you are going to fill over the next couple of years, and we expect you to be making an effort in filling each

and every one of these jobs to show some good faith effort to find qualified and talented Hispanic American officers, African Amer-

ican officers, whatever it may be.

I think in one sense, to go back to one of my favorite themes, centralizing all of the decisionmaking and centralizing all of the evaluation of how well you are doing in this sense, where you say well, how many black FSO's and how many African American FSO's do we have, have we hired, and that is the end of the equation, it tends to make you blind to some of these other questions that you have raised.

I think that this is something where my colleagues, who are more current than I, who have left almost 3 years ago, and Department representatives may want to speak to this point, because I know that there is increasing concern and challenge from within the system, not just by Hispanics but by other minority groups as

Mr. BERMAN. If you accept the notion that some of the interest and emphasis in this is set by the tone at the top, then one might expect some changes coming up based on the tone that is being set

at the top right now.

Mr. SCHITTULLI. Just one guick comment. We did make a recommendation in our commission report about the work force requirements, going back to that aspect, that we needed to increase the number of junior officers above what we have today. The Commission said that we should have a 70/30 mix. That 70 percent should be the FSO-4s and above, and 30 percent the 0-5s and 0-6s. Thus, you have a bigger pool of junior officers, and they can be placed out in different places.

Mr. BERMAN. Having said that, that leads to another question. And in a way, it conflicts a little bit with the point that Mr. Menendez was just making.

To what extent has our Senior Foreign Service Officer Corps been too large, because of this process of promotion—I wish I could remember that term of art for the way that the Foreign Service operates.

Mr. Schittulli. The up or out system?

Mr. BERMAN. Did you say corrupt?

Mr. SCHITTULLI. Up or out. Mr. BINNENDIJK. Up or out.

Mr. BERMAN. Up or out. Well, there is something else. Something about the person.

Mr. Schittulli. Rank in the person versus rank in the job.

Mr. BERMAN. Rank in person.

Mr. Schittulli. Correct. That is the closed system.

Mr. BERMAN. Right. In fact, you have—and I guess that is a little of what you are saying maybe only nicer—that there are too many Senior Foreign Service Officers.

Mr. SCHITTULLI. That is precisely the point, and they would not

address that issue. And that is the core of the entire process.

Mr. BERMAN. To what extent is that because-

Mr. SCHITTULLI. Because you want to maintain a promotion process in keeping people going up. But they are not going out at the top, so you just keep filling up the top. And then all of your money is spent on the larger element of the higher graded people.

Mr. BERMAN. Notwithstanding that your need for people in that

rank bear no relationship to the size?

Mr. SCHITTULLI, I heard the term. I do not know what it means. the hall walkers. In other words, they have people at the State Department Headquarters who really have no jobs, but they have to carry them until such time as they decide what to do with them.

Mr. BERMAN. Now to the other side of this lateral entry program, which I particularly liked. I got elected in 1972, and there was a colleague of mine from Bakersfield to the State Assembly, Ray Gonzales. In 1974, he lost, and I lost touch with Ray. The next time that I met Ray was on a very, very brief refueling stop in Barbados on my way back from Latin America in a congressional delegation.

There was Ray, and he was the labor officer in the embassy there on a lateral transfer into the Foreign Service. He subsequently went to Belgium and other places. He stayed in Barbados a little longer than we did, but not much. What I liked about it was the

principle of lateral transfer for politicians who lose elections.

One question that we did not touch on. Ambassador Barnes talked about his experience dealing with visas, and how it assisted them. I used to be a labor lawyer twenty years ago representing unions. And one of the fundamental tenets was keep the management, the top level supervision, out of the union. Have a distinction. Every executive should have a management team of people who are separate from the basic organization, and who do not control that organization.

Government agencies organize a little differently. I gather that the Foreign Service is in control at the top from management people. Is this what you allude to in a situation where you have people in positions unrelated to need, but based on this promotion process.

Mr. Schittulli. Labor/management relations, yes, is kind of the heart of the question. Should senior management be members of the organized bargaining unit? That was a very controversial discussion in our Commission, because we had former members of the

bargaining unit against those of us who were not.

We did come down on the side of separation. Our recommendation was that all senior management officials within the State Department should not belong to the bargaining unit. They should break out the senior officials and have a separate element or organization without bargaining rights. People who are in managerial positions, specifically on the human resource side, should not be members of the bargaining unit.

By virtue of the present system, you have the chicken and the fox together. One minute, I am setting the policy that is going to determine how one operates within the human resource business, and then turn around in the next minute, and I am out there as a recipient of that policy or process and a member of the bargaining unit. It is not a healthy matter.

Nowhere in the Federal Government or outside in the private sector do you have senior managers belonging to the bargaining unit. This is the only case that I have seen in my thirty years as human resource manager. We had recommended strongly that this change be made. It did not receive favorable consideration by the State Department.

Mr. BERMAN. I might mention that as you were raising the issues, Mr. Menendez, that we apparently spend close to \$1 million in administering a Foreign Service examination for new recruits which tests 25,000 people to select only 250, and spend very little on lateral mid-career recruitment. It happens, but the initiative is not with the State Department in terms of expending resources to recruit in this area.

Ambassador Barnes, after observing what has happened since 1980, is there anything that you would do to change the 1980 Act, or do you think that this is basically a question of high level commitment in the Department to achieve some of the things that we

have been talking about that need to be made?

Mr. BARNES. I would say that it is basically that, Mr. Chairman. It is the question of the commitment. It is a question of using some of the authorities that we have been discussing in the Act. And it is essentially a question of a vision as to what the importance of the Foreign Service is to this country, and what the requirements

are that flow from that importance.

As we were discussing earlier, it seems to me that your committee can at this stage play a very useful role in terms of drawing the new administration's attention to what strikes you as being some of the priority questions. I agree with my colleagues that there may come a time when you will want to be very specific about things that you think need to be done. But it seems to me initially that by signaling even three or four priority subjects, such as the work force planning we have talked about; the need for greater interchange, as Mr. Binnendijk was talking about within the Civil Service and the Foreign Service; the development of clearer training opportunities.

Those are a couple ideas that I would pick if I were in your place. And your ability to point those out and to push for some actions, it seems to me, could be very useful within the framework of legis-

lation that already exists.

Mr. BERMAN. Do you think that developing a program and funding which involves spouses in meaningful mission related kinds of work is meaningful in terms of the Foreign Service morale—is this a problem worth resources?

Mr. BARNES. I think that there are two aspects. One is the sort of employment opportunity that can be offered within the U.S. overseas mission. And those boundaries are being expanded some-

what, from what I understand.

Secondly is work that can be done, but requires negotiation with the government of the countries concerned in order to provide access to spouses of diplomatic personnel to employment opportunities within that country that involves an aspect of reciprocity for people of that country who are serving in this country as well.

It seems to me that what is needed is a whole series of attempts to look at the type of possibilities that already exist, are they functioning well, the type of possibilities that might exist or could be created, and how can that be done.

I agree again with what Mr. Binnendijk is saying in terms of the way that American society is going. What are the types of employment, what are the types of career opportunities that would attract people to work in an overseas environment, given the likely limitations that exist because of language, because of culture, and because of regulation. But I think that it is something that can be tackled, and something that has got to continue to evolve.

Mr. BERMAN. Bob.

Mr. MENENDEZ. I just have one more question going back to my

original issue.

The question is on EEO, and its management, and its backlog, do any of the members of the panel have any suggestion as to improvement in its management, is it a line structure issue, should it continue under the deputy secretary.

Why is the Department having the difficulties that it appears that the statistics indicate that it is having in resolving cases or whatnot, is it a structural problem, is it a management problem?

Mr. SCHITTULLI. We had recommended in our report that a complete overhaul be taken of the process. One of the legislative recommendations was to put a time limit on the process, for example, you have to process the case within 90 days thus stopping what currently is dragging on for a year or 18 months.

Mr. MENENDEZ. And if you do not, what happens at the end of

90 days?

Mr. Schittulli. Then the grievant wins. In other words, what you are doing is telling management you must process this request expeditiously. If not, automatically the grievant is going to win. So it provides an impetus for them. You can set it at 90 days or 180 days, specifically what I am saying is some sort of legislative attempt is needed to force people to take an action on the grievance.

I think that the new legislation, which we did on the Title V (CFR 1614) side of the house, which is not applicable to Foreign Service, does prescribe specific time elements. If you do not get it done within 180 days, you lose. It now forces management into tak-

ing a more rapid approach to the situation.

I think it can be done initially administratively. But if you find that it is not working, then you should legislatively include something into the bill, indicating that you will process these cases within a set period of time. I think that would solve the problem. However a question will come right back to you, that is I need the resources in order to process the cases, because of the significant backlog. Some money should be given, to clear up the backlog and then get back to a normal state, what I call a steady state process.

Mr. WHITMAN. I would agree with that. I think that sort of at the working level that the problem in the past has been that insufficient resources have been devoted to investigating and resolving cases. And when Mr. Schittulli suggested that is one way to get

people's attention about the need to devote some resources.

Mr. MENENDEZ. If I may, Mr. Chairman.

As it relates to structure, do you believe that there is any impediment there in terms of its importance, where it is located on the organizational chart, or is it strictly as you have given one suggestion giving a definitive timeframe in which you either respond or the grievance is granted; is there anything in the organizational chart that would improve the EEO function, is that a problem?

Mr. WHITMAN. The Department has chosen to go the route over the years of having the head of the Equal Employment Opportunity in a separate reporting relationship or a separate line from the Director-General who is the head of personnel. There are debates

about whether that is the right way or the wrong way to go.

I guess that I am an agnostic on those debates. I think that you have a smooth running or poor running system either way, either with your EEO head working for your head of personnel—and I suppose that an advantage of that is then the guy who can make it happen is the EEO guy's boss, and you have a good unity. People who are suspicious of that would tell you that this makes it too easy for the system, the insiders, to frustrate complainants.

There are arguments either way. I do not think that structure is really the answer. I think that it is more of a question of re-

sources.

Mr. BERMAN. Mr. Whitman, I just want to observe for the record that we talked to Mr. Schittulli regarding the Thomas Commission, and he spoke to issues about the size of the Senior Foreign Service, about the issue of labor/management relations, and the separation.

The Veliotes Commission did not speak to some of those issues. And I note here that 20 percent of the Foreign Service Officer Corps is in the Senior Foreign Service. You talked about 5 and 6.

The Senior Foreign Service Corps is above that, right?

Mr. WHITMAN. Yes.

Mr. BERMAN. Why did not the Veliotes Commission speak to this,

did they not consider this a serious issue?

Mr. WHITMAN. Certainly, we did consider it a serious issue. I think that on almost all of these sort of large scale questions of how large the Senior Foreign Service should be or to what extent the generalist/specialist mix should be changed, we tried to be scrupulous and stick to our own principles that these are planning questions that the Department needed to resolve internally.

If you ask me what do I think personally, I think that the Senior Foreign Service is far too large, and I have not spoken to a single person during the time that I have been on this commission who

thought that it was not far too large.

And it is kind of like saying that the deficit is too big. Once you start talking about where to cut, you are going to have a lot of in-

ternal disagreement about where to take the cuts.

Should the effort be made, should the cuts be taken? Yes. I think I could speak for all of my fellow commissioners in saying that is the direction that things should be going.

Mr. BERMAN. Through attrition or not?

Mr. WHITMAN. I think that part of what needs to be reexamined in this whole area is whether or not the existing time in class system for senior officers is functioning effectively. And I would say this with regard to the pre-1980 period, which I know a little bit about, as well as the post-1980 period, that the tendency within the Department is toward a situation in which relatively little pressure is placed on Senior Foreign Service people in terms of selection out.

That is that you will have a series of administrative decisions over time that will tend to get you to a situation in which the only attrition that occurs is essentially voluntary attrition at a sort of normal early sixties retirement age. It may occur sort of as an adjunct, or it may occur in the name of selection out. But very little

real selection out.

I question whether or not that approach is going to be adequate in the next few years where the Department would really seriously

mean to deal with some of its resource problems.

I would have to add to that that I do not think that if you ask the existing system to select out senior officers, that you are going to have a very happy outcome. You do have a lot of talent of able people here. And the fact that you make some kind of administrative decision that you have too many is not going to make it easy to figure out which ones have to leave.

Mr. Berman. I understand. I want to recognize Mr. Binnendijk to address this point. The only comment I would make is that I think there are tradeoffs. If one joins a Foreign Service, I think that they have the right to expect a career where they perform. We expect high qualifications. We move them around. It is a serious commitment. And I think that they have a right, if that is what they choose, to pursue a career which ends in a retirement and a level of security after the time is served.

It is a question that is not so much extracted from the Foreign Service prematurely, but it is put into an executive class or corps, if that is what you want to call it. In the Civil Service, you have a senior executive service that is 3 percent not 20 percent Civil Service. That does not even get to the issue of the needs and what

they are all doing. Mr. Binnendijk.

Mr. BINNENDIJK. I am not in the Foreign Service. Let me take a moment to defend the Senior Foreign Service just a little bit. I think you are right. Perhaps people get promoted into the Senior Foreign Service too fast, and that is why it is too big. And the system is set up for people to be promoted or get out. So perhaps one thing that we could think about is changing that. So that you do not force too many people up into this little capsule up at the top. But having said that, we are talking here about an American in-

But having said that, we are talking here about an American investment in the careers of these people. They are experienced. And they have been trained, perhaps not to the degree that we would want. But they have good language skills, and good diplomatic

skills.

You can look at them as top heavy or overhang. But at the same time, you have got to look at them as an investment that the American people have made in their diplomacy. And so I would be cautious to just toss these people out without giving a good deal of thought as to what you are doing.

Mr. BERMAN. But your investments are supposed to be related to

your needs.

Mr. BINNENDIJK. Well, part of the problem here indeed is with the assignments process. And I agree with you. People get up to this level because they are promoted perhaps too fast. And then you cannot get assignments, because all of the assignments are for more junior grade officers. And perhaps you have to deal with the assignments process in a way, so that you can use these talented people.

The other problem is that the mechanism that is being used to deal with having these people leave the Service is time in class. And that clock ticks. And when their time is up, they cannot stay,

even if they are good. The limited career extension program is not

working.

And so it is not selection out. You do not decide well, these are the really good officers. We want to keep them, and we want to do everything to keep them until they are 65. And here are the ones who are not quite as good, and we are going to try to get them out.

It is an automatic mechanistic system that is really not based so

much on capabilities. And that needs to change.

Mr. BARNES. If I just may add one P.S. in terms of what was intended anyway in 1980.

Mr. BERMAN. Yes, please.

Mr. Barnes. And that was to use the mechanism to which Mr. Binnendijk referred, the limited career extension, as a way of reaching decisions, albeit difficult decisions, that someone is not as good as is needed or someone is not as good as somebody else. So distinctions have to be made, and some people have to be allowed to leave the Foreign Service.

In other words, I think that there are ways of being able to manage the flow-through more effectively than has been done. It is not a question only of whether one might want to slow down the process of getting into the Senior Foreign Service. But I think equally important and even more important is what one does in order to

see that there is a flow-through the Senior Foreign Service.

Mr. WHITMAN. I would just add that again the original intent of the 1980 Act with relatively short guaranteed tick times for senior officers and the potential at least of fairly large numbers of limited career extensions, I think that is really a pretty good mix, if you have got the right job base, if you have a reasonable number of senior jobs.

What we see now is I think most people would agree almost certainly too many jobs are defined as being at the senior level. And then this tendency to just sort of let everything drift, as Mr. Binnendijk suggested, through the very lengthy time in class

standards at the senior level.

Mr. Schittulli. One item, if I might add. One critical thing that could be accomplished if you wanted to get a control on that, just say "promote to vacancies." The Congress then says that you are only allowed to have x number of senior Foreign Service Officers, and you cannot promote anybody within that system until someone has vacated the system. You provide the vehicle through a flow-through process as we discussed earlier. It is exactly what the Congress needs to do.

Mr. BERMAN. If you want to get a guy in, you ought to push a

guy out?

Mr. Schittulli. That is correct. And it is based upon your requirements, and you have a flow through system. That is what a closed system does for you. If you are not going to do that, then discard the closed system and go to some other process. You cannot have your cake and eat it too, and that is the problem we are encountering.

Mr. BERMAN. Then as my final question, let us just take the other side of it. Because part of me used to be a labor lawyer rep-

resenting workers.

To what extent does that power give the people at the very top in personnel or in the Department the chance to in a sense drum out the Ambassador or the senior Foreign Service executive who would not distort his or her reports to meet the political wishes of political appointees, you know what I mean?

To what extent are we now scaring people into not being independent, calling them as they see them, taking advantage of all of their training and judgment to forcibly communicate their views in

the hope that policy formulation is impacted?

Mr. SCHITTULLI. As we indicated in the Commission's report what you do then is use a board process of peers.

Mr. BERMAN. You deal with it like a university does?

Mr. SCHITTULLI. That is correct. And then you use the Limited Career Extension (LCE) the way that it is intended to be used, if there is a need to keep you beyond your 33rd year or 34th year.

Mr. BERMAN. The only thing that I have to tell you is that I am not aware of any university professor who has ever been drummed

out.

Thank you very much. I really do appreciate all of the time. If there were some members here, we would go and have cocktails or something. But it is late, and I appreciate your willingness to stay. [Whereupon, at 5:45 p.m., the subcommittee was adjourned.]

### APPENDIX

### STATEMENT OF HON, HOWARD L. BERMAN CHAIRMAN, SUBCOMMITTEE ON INTERNATIONAL OPERATIONS

FY 1994-95 Foreign Relations Authorization Act
Hearing on "the Foreign Service: Prospects for Reform"

March 17, 1993

I am pleased to call to order this meeting of the Subcommittee on International Operations. The Subcommittee meets this morning to continue its formal process of legislative work on the Foreign Relations Authorization Act for Fiscal Years 1994 and 1995. Today, with the assistance of our distinguished witnesses, we will review the role of the U.S. Foreign Service, and proposals for change.

The Foreign Service has an honored ancestry in U.S. history. From the earliest days of U.S. independence, the nation's "best and brightest" – five of whom later came to number among our first six Presidents – undertook its diplomacy, and served heroically to advance the revolutionary cause. In this century, Foreign Service Officers have been, and remain, key players in bilateral diplomacy, with long traditions of dedication, integrity and courage. As an institution, however, the Foreign Service has had problems of other traditions – in terms of staffing and organization – which have impeded its effectiveness.

Against a backdrop of unprecedented geopolitical change, the Foreign Service needs above all to be flexible and adaptable in meeting new challenges. Such, the record indicates, was the intent even a decade ago of the framers of the Foreign Service Act of 1980, the Service's most recent, dynamic and comprehensive legislative reform. According to the prepared testimony of two of our four panelists today, however, the aspirations of the 1980 reformers remain unfulfilled. Ambassador Harry Barnes, who as Director General of the Foreign Service was seen by many as a principal architect of the 1980 Act – under our last Democratic administration I might add – is with us today. I look forward to discussing with him what appears to be a widening gap between legislative intent and the realities of implementation. I look forward to exploring with all our panelists what they see as the foreign policy demands of the 1990s and beyond, and what the Foreign Service needs to do to meet these demands.

The management of traditional bilateral diplomatic relationships remains important to U.S. national interests, but more and more, the critical issues of our

time – environment, terrorism, human rights, to name but a few – demand specialized expertise which some say the Foreign Service cannot now supply. One way or another, however, these issues must be dealt with by the U.S. Government, either by the Foreign Service, or by someone else.

In this vein, I remain concerned over what appears to me to be a continuing fragmentation of America's foreign policy apparatus. It is clear that some of this can be traced to the Service's own lack of adaptability to "non-traditional" work. This kind of organizational behavior must be changed. The Foreign Service should embrace its new transnational challenges — and their domestic constituencies — to become a larger, more dynamic, more publicly relevant organization. It should restaff itself now to perform its new transnational missions, and prepare now to reform again, and again, as these missions evolve. The Foreign Service must also, in my opinion, dramatically expand its ethnic and cultural diversity to assure that it is properly representative of our society.

The Foreign Service has now undergone innumerable independent studies, and at least five major commission reports since the mid-1950s, two of them Congressionally-mandated in this Subcommittee's last two authorization bills. GAO investigations. Inspector General reports and four hearings by this Subcommittee in as many years have failed to induce needed changes. As I indicated at our Subcommittee's last hearing on this subject, our diplomatic professionals and the American public deserve a Foreign Service personnel system which not only meets public needs, but makes sense. The Foreign Service system of today appears to do neither. I believe it is time to close the books on all the reports, analyses and studies, and make needed changes. This hearing for me marks a beginning in that process, a process of what I hope will be joint work with the new Administration to break through bureaucratic gridlock, and to achieve real solutions to the Foreign Service's problems.

# STATEMENT BY CONGRESSWOMAN OLYMPIA J. SNOWE SUBCOMMITTEE ON INTERNATIONAL OPERATIONS

### HEARING ON FOREIGN SERVICE REFORM MARCH 17, 1993

Mr. Chairman, I am pleased that we are continuing with our hearings on the State Department authorization, even in the absence of any budget or legislative request from the Administration. The hearing today fucuses on fundamental organizational and personnel issues at the Department of State.

Over the past few years, this subcommittee has held periodic hearings on problems with the Foreign Service system at the Department of State. We have highlighted a range of deficiencies, ranging from overreliance on generalists, to inflexible personnel practices, to insufficient diversity, to the increasingly marginal role of the traditional Foreign Service Officer in the conduct of modern American foreign policy. We have also had the benefit of several independent studies of the Foreign Service, beginning with the outstanding and still largely unimplemented Thomas Commission report of 1989.

Clearly, the deficiencies of the existing Foreign Service system did not develop overnight. They have grown steadily for decades, and have been widely commented upon by numerous observers. As the need for specialized knowledge in the conduct of U.S. foreign policy has grown, and as the structure of American society has changed, the Foreign Service has retained its essential nature as a generalist, bottom-entry, top-heavy, self-regulating, and inward-looking personnel system. As a result, throughout the post-World War II era more and more foreign policy components devolved to the specialized, so-called "domestic" agencies. As I mentioned in our previous hearing, this

process has reached the point that today, less than one-third of all U.S. personnel assigned overseas are employees of the Department of State.

At the same time that the problems of the Foreign Service as a system have grown, however, individual Foreign Service Officers have remained among the most hard-working and patriotic of all government employees. I can only imagine that their shrinking role within the larger foreign policy structure has only added to their frustration and morale problems as individual members of the Foreign Service.

But while this problem is not new, two recent developments add an urgency to taking a new, more fundamental look at the issue. One is the end of the Cold War.

Already the Department of Defense is undertaking a top-to-bottom mission and force reassessment. There is a compelling need for a similar reassessment at State, and indeed throughout our entire foreign policy structure and budget.

The second impetus is our government-wide budget crisis. Throughout the post-war era, our inefficient use of foreign policy resources was compensated, in part, by the surplus of resources we could often bring to bear on international problems. This simply is no longer the case.

Everyone now recognizes that the foreign affairs budget will be declining in real terms for at least the next five years. In fact, last week at the Budget Committee the Chairman and I had a spirited discussion on this topic. Our difference, however, was not on whether the foreign affairs budget should decline during this period of time, but only on how rapidly that decline should proceed.

As we attempt to address these serious and fundamental issues, we are lucky to have before us today a distinguished panel of private witnesses. We welcome you before the subcommittee, and look forward to your comments.

#### SIMMONS COLLEGE

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PROGRAM IN INTERNATIONAL RELATIONS

March 17, 1993

I am a retired career foreign service officer and served as Director General of the Foreign Service and Director of Personnel at the Department of State from the end of 1977 to the beginning of 1981. At the time, I held the office longer than any previous incumbent. From February 1981 to May of that year, I conducted discussions with representatives of the other agencies covered by the Foreign Service Act with the aim of setting up procedures for achieving the compatibility of personnel systems called for in the new act. Since my retirement at the end of 1988, I have been the executive director of the Critical Languages and Area Studies Consortium which is dedicated to promoting the study of Arabic, Chinese, Japanese and Russian at the pre-collegiate level.

In 1990-91, I took an active part in the preparation of the Carnegie Commission's report on "Science and Technology in U.S. International Affairs."

To go back to the earlier period, much of my work in 1979-80 was devoted to the planning and then the legislative process prior to enactment of what became the 1980 Act. In my judgment there are two important "environmental factors" that were significant at the time and several major purposes we sought to promote.

Environmentally speaking, we wanted to take advantage of the movement toward reform represented by the Civil Service Reform Act of 1978. It was not only that the conditions were propitious for embarking on such an effort, but it was also important to try to define clearly the distinctive role of the Foreign Service at a time quite different from that of the world of 1946 when the existing Foreign Service Act had been adopted.

Compared to 1946, the world of the late 70s held no more of the traditional colonial empires, but rather a large number of countries labelled developing or less developed. The lull in the tense relations between the U.S. and the Soviet Union known as detente largely evaporated with the Soviet invasion of Afghanistan. Then, the very content of diplomatic business began to change under the impact of environmental problems and sharpened trade disputes In addition, there were important societal changes taking place in our own country, including the increasing importance of career options for women as well as men, and of greater opportunities for minorities.

In this context, we felt it important to use the moment to rethink the kind of foreign service the country needed and to try to incorporate those directions into practice through a new basic statute rather than mere modification of the 1946 Act. The initial section of the 1980 Act states very clearly: " the members of the

Foreign Service should be representative of the American people, aware of the principles and history of the United States and informed of current concerns and trends in American life, knowledgeable of the affairs, cultures and languages of other countries, and available to serve in assignments throughout the world. "

Among the many goals of the Act, I would single out seven that I felt at the time to be particularly important:

1) to make the Foreign Service more representative;

2) to make the Service more competitive at its senior ranks:

3) to create a more unified system;

4) to provide employment opportunities for family members and recognize the contribution made by spouses to the Service:
5) to establish professional development programs;

6) to introduce a degree of predictability in the recruitment and promotion of members of the Service

7) to give the employee -management relationship the stability of law;

Each goal has its own history. By way of example, it was the "senior surplus", too many higher grade officers and too few jobs, that forced us to move in the direction of more competition for the Senior levels of the Service.

Overall, my hope at the time of passage was that the Act would prove to be not only a framework for a new time but also a flesible one that could be adjusted without great difficulty as needs change.

Harry G. Barnes Jr.

## Statement before Subcommittee on International Operations by

Mr. Patrick L. Schittulli (Former Member of the Thomas Commission)

Mr. Chairman, thank you very much for the opportunity to testify before this Subcommittee on the State of the US Foreign Service. As you are aware, I was a member of the Congressionally mandated commission on the Foreign Service, specifically to deal with the question of career stability for members of the Service. The Commission, which has come to be known as the "Thomas Commission" reached beyond this basic question and their deliberations involved the role and functions of the Foreign Service. They did so in two ways -- by reviewing the broad mission of the Service as set forth in the Foreign Service Act of 1980 and by examining the current international climate in which that mission must be carried out. In doing so, the Commissioners were conscious that the increasing complexity of the foreign policy agenda in the eight years since the Act came into effect has made even more important today the question of whether the Service is in a position to perform its vital functions.

The Legislative foundation, Title I, Chapter 1, Section 101 of the 1980 Foreign Act Provides:

-- that a career Foreign Service is essential to assist the President and the Secretary of State in the conduct of US foreign relations:

- -- that the scope and complexity of foreign affairs have heightened the need for such a Service;
- -- that the Foreign Service must be preserved, strengthened, and improved in order to carry out its mission effectively in response to the complex challenges of modern diplomacy and international relations; and,
- -- that the members of the Service should be representative of the American people, knowledgeable of both US and foreign cultures--including foreign languages--and available to serve in assignments throughout the world.

The current Foreign Policy context portrays the world in which the United States finds itself today, as vastly different from the one in which it first undertook international responsibilities on a global scale at the end of World War II. The US is no longer, as it was in 1945, the world's preeminent economic and military power. The international economic system which we once dominated, increasingly resembles a tripolar system in which the US, Japan and the soon-to-be fully integrated European Economic Community carry roughly equal weight. And we compete in this system for the first time, in our modern history, as a debtor rather than creditor nation.

We--together with our allies--face the uncertainties and opportunities posed by the changes that have taken place within

the Soviet Union. We have recently witnessed a tendency for intractable and destablizing regional conflicts—in the Gulf, Bosnia-Herzegovina, Somalia and others areas—to be amenable, finally, to settlement through negotiation rather than military means.

We--and all those with whom we share this planet--face an increasing array of global, technological issues that can be dealt with effectively only through multinational means. These issues affect not only the quality of human life, but have the potential to determine whether there will be life at all. They include such matters as arms control, the environment, drug control, population, famine, and telecommunications. These issues have, moreover, emerged at a time when the link between foreign and domestic policy has grown closer, making it incumbent on our national decision makers to consider both sets of factors in setting policy.

With both the world and the role of the US in that world in a state of transition, it seems clear that the preservations of peace abroad and of freedom and economic opportunity at home--our nation's core interests--will depend increasingly on our capacity for effective diplomacy and creative thinking as well as on more conventional measures of our nation's relative strength. In our view, the Foreign Service of the United States is an indispensable institution on which the nation--and its leaders--

will need to draw if our foreign policy is to be adequate to today's challenges.

Given this backdrop, the consensus expressed to the Commissioners by both Congressional members and rank-and-file Foreign Service Officers fell into two broad categories:

First, the Foreign Service did not appear to be producing the personnel necessary to meet challenges faced by the United States currently, or those which will have to be faced in the future. Secondly, the Foreign Service Personnel System appeared unfair, capricious, and unpredictable. As a result, a high degree of discontent and unhappiness marked current attitudes among many Foreign Service Officers. According to many of the authors of the legislation such problems, if not addressed, could reduce the effectiveness of the implementation of American foreign policy.

Much to the surprise of Congressional sources, the implementation of the Foreign Service Act of 1980 had made the situation worse rather than better. Whether the 1980 Act was flawed or the implementation of the Act was the cause of the difficulties was not clear. To those in Congress with whom the Commission spoke, the Act was not fostering the intended results.

The greatest concern expressed by those with whom the

Commissioners spoke was that the Foreign Service Personnel System was not producing the quality of officers possessing the necessary skills to meet future challenges. Over the next two decades the United States will face more complex international challenges. The bipolar world of the 1950's no longer exists and the multipolar world which replaced it is a much more difficult one in which to operate. International issues with which the United States must contend are more complicated: international debt, the environment, multilateral disarmament, nuclear nonproliferation, chemical weapons, etc. These issues will have to be addressed at a time when resources available for the conduct of foreign policy are dwindling. Some on the Hill warned that failure by the Foreign Service to adequately meet these challenges would place the Foreign Affairs Agencies at a disadvantage in competing for scarce resources. While all with whom the commission spoke agreed that the importance of the Foreign Service should increase as the challenges of the future become more complex, many doubted whether the Foreign Service will be able to adjust to meet those challenges.

No one blamed the personnel system alone for the perceived shortcomings; nevertheless, the way in which the system functioned was believed to contribute to the problem.

The second area of concern was the apprehension of the average Foreign Service Officer with his or her career

opportunities. This apprehension, the Commission's Congressional interlocutors feared, would have, if it had not already had, a serious impact on the conduct of American foreign policy.

Congress, as the conduit of public opinion into the governing process, had been subjected to many complaints from frustrated Foreign Service officers. While the largest number of such approaches come from State Department FS-1s, personnel representing the entire range of officers had approached their friends and representative on Capitol Hill. The concerns raised in these meetings were usually not special pleading for one officer's own case, but concern for the service. The personnel system, it was contended, was creating anomalies which did not serve the national interest.

The Commission completed its work in 1989 and made some far reaching recommendations. These can be found in the published report. I will not enumerate the details, except to say that the most important aspect of the recommendations is that the changes to the Foreign Service System can be accommodated within the broad parameters of the 1980 Act. Following closely to this conclusion was the strong view of the Commissioners that the proposals in the Thomas report should be addressed in its entirety and not fragmented where pieces were accepted and other parts discarded. From our understanding this was not the case. The 1980 Act was sound legislation. It provides the flexibility to adapt the Foreign Service Personnel System to today's

international requirements. But more importantly, will permit the Foreign Service agencies to meet the long-range needs of our changing world. The traditional view is that the State Department is only concerned with political and analytical reporting. We need to be sensitive to the changing environment and produce leaders within the Foreign Service who are cross functional experts as well as being adaptive to new and emerging international economic and technological endeavors.

On balance, the recommendations made by the Thomas

Commission can achieve the objectives established by Congress and

meet the concerns expressed by the many and varied

constituencies. Thank you for your time and patience. I am

prepared to answer any questions you may have.



### **Biography**

### **Unived States Air Force**

ecretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330-1000

#### PAT L. SCHITTULLI

Pat L. Schittuili is director of civilian personnel, Headquariers U.S. Air Force, Washington, D.C. He is responsible for the overall administration and development of the Air Force-wide civilian personnel program. He manages a full spectrum of personnel functions within the Air Staff and at the Air Force Civilian Personnel Management Center involving the administration of more than 300,000 employees at 140 locations worldwide.

Mr. Schittuill was born Sept. 14, 1933, in Bergenfield, N.J. He graduated from high school in Dumont, N.J., and studied industrial engineering at Fairleligh Dickenson College, Rutherford, N.J. He received a bachelor's degree in political science from the University of Maryland, a master's degree in international relations from the University of Southern California, and performed postgraduate work at the London School of Economics and the University of Surrey, England. He has attended a number of federal executive development programs to include the Executive Program for Public Administration; the course for senior government executives on public policy issues at Brookings



Institute a course in world politics at Cambridge University, England; the Federal Executive Institute; and the program for senior executives at the John F. Kennedy School of Government, Harvard University. Mr. Schittulli also completed a live-month congressional legislative fellowship program in the U.S. House of Representatives.

He served with the Air Force from 1954 to 1959 and upon separation from the service began his civil service career. Alls early years were spent as a personnel systems analyst. He later served overseas as personnel planning and programming officer and, in 1971, became director of personnel for Headquarters 3rd Air Force, London. He was responsible for a wide range of functions, including military personnel, manpower and organ cation, morate, welfare and recreation, training and education; dependent schools administration, and negotiation with the British government on personnel benefits and programs. Also, he was responsible for civilian personnel programs of nine major installations in 3rd Air Force.

He was assigned to the Directorate of Civilian Personnel at Air Force headquarters in 1973 as a staff planner. Four yours later to was assigned as chief of the Programs Branch, Plans Division, where he was responsible for pursonnel program developments across the life-cycle spectrum of recruitment, training, development, utilization, sustainment, and separation and retirement of the civilian work force.

In 1979 Mr. Schittuill was assigned as chief of the newly established Plans Office. Shortly thereafter the Plans and Pesources offices were consolidated to form the Plans and Resources Division. He tren became chief of the division responsible for civilian personnel long-range policies, plans, goals and concepts; organizational analyses implementation of inajor programs such as the Civil Service Reform Act; wartime and contingency planning, manpower requirements, base closure planning, budgeting and fiscal analysis, and data systems analysis. In March 1980, in addition to his regular duties, Mr. Schittuill was assigned as acting deputy director of civilian personnel. In January 1982 he was promoted to senior executive service and became deputy director.

He performed a full range of duties in support of Air Force-wide civilian personnel program administration and management. He assumed his present position in September 1985.

Mr. Schittulli has participated in many civic and professional organizations. He chairs the Army and Air Force Civilian Weilare Fund Board; Is a member of the Office of Personnel Management Federal Prevailing Rate Advisory Board; serves as a member of the boards of directors for Air Force commissaries and the Air Force Association; and serves as an adviser to the Air Force Association on civilian personnel matters. He is also a member of the International Personnel Management Association; International Defense Personnel Chiefs Forum; Executive Committee of the Interagency Advisory Group; and the Roundtable of Personnel Executives. Mr. Schittulli is a private pilot, a lecturer at Air University and National Defense University, and has worked closely with secondary parochial school programs. Also, he has served on the congressionally mandated Advisory Commission on the Foreign Service Personnel System.

He has received numerous awards, including the Presidential Rank of Distinguished Executive, Presidential Rank of Meritorious Executive, Air Force Meritorious Civilian Service Award and Outstanding Junior Personnel Office of the Year Award.

Mr. Schittulli is married to the former Pameia Ann Smith. They have a son, Andrew Lewis, and a daughter, JoAnn Sharon.

"The Foreign Service in 2001"

Testimony before the House Subcommittee on International Operations

By Hans Binnendijk

Director, Institute for the Study of Diplomacy Georgetown University March 17, 1993

Mr. Chairman. It is my pleasure to be here with you today to testify on the State Department personnel system. My testimony is based primarily on the report "The Foreign Service in 2001," which was released by the Institute for the Study of Diplomacy last August. The report was based on a conference held at the State Department and a subsequent series of working group meetings. My principal collaborator was John McNamara, a Foreign Service officer now serving in Morocco. I should note that I was part of the Transition Team effort to reorganize the State Department and that within a matter of days I will be joining the Department myself. I want to emphasize at the outset that I am here in my capacity as director of the Institute and not as a member of the State Department or of the Transition Team.

The Institute's report began with an analysis of the likely diplomatic environment a decade from now. Perhaps I could summarize our estimate of what this environment will be like with ten quick observations.

- 1. Multilateral diplomacy will increasingly eclipse bilateral diplomacy. Governments will remain the principal actors, but to achieve legitimacy and defray costs will channel their efforts to a larger degree through international institutions. This means more of our diplomats will need to have a good working knowledge of procedures and practices at the United Nations and similar bodies. They will need to learn the importance of consensus building, an art more prevalent on the Hill than in the executive branch.
- 2. Conflict will continue, but will be more local and ethnic than global and ideological. One useful international response would be preventive diplomacy. This will require our diplomats to have an even keener understanding of local history and languages, of US national interests in small conflicts, of conflict resolution techniques, and of the capabilities of peacekeeping forces.

- 3. Diplomacy will focus more on global issues, where the enemy is not another nation but a problem such as environmental degradation, massive flows of refugees, or illegal drugs. The State Department has recently created a new under secretary to deal with global issues, but the Foreign Service has yet to develop more than a handful of specialists to provide the technical expertise to be influential and persuasive on the international dimensions of these issues.
- 4. Power will be more diffused and many of America's traditional diplomatic tools may be less effective. Foreign aid will shrink under budget cuts. Our Cold War allies' reliance on American military leadership may eventually decline. America's interests in many areas of the world may wane. Our diplomats will have to become better salesmen to promote American policies.
- 5. Diplomacy will increasingly be about economics and trade. The Soviet experience has taught us that we cannot hope to exert international influence if our economy fails. And elimination of the global communist threat means that trade conflicts may no longer be constrained by traditional security considerations. To promote US economic interests and avoid trade wars, all of our diplomats will need a greater dose of high-level economic training, and many should have specialized training in specific sectors, such as telecommunications, transportation, and financial services.
- The number of foreign policy actors in the United States continues to multiply. Most executive branch agencies now have an international component. Congress and state governments will probably both continue to expand their roles in The latest phenomenon is the international affairs. privatization of foreign policy. Such quasi-governmental institutions as the National Endowment for Democracy and the US Institute of Peace are gaining new roles. Journalists, businessmen and even some academics are principal actors. American lobbyists represent foreign countries and firms. American diplomat must stay in touch with a much wider group of US actors and must understand and influence an increasingly complex web of relationships. Our diplomats will increasingly become managers of an ever more complex foreign policy process.
- 7. The Department will operate more 'storefront' embassies with skeleton staffs scrambling to cover economic, political, and social events in turbulent host country, probably in esoteric languages. This will result from both an increase in the number of countries in the world and a continuation of budget cutting. The Foreign Service will need resourceful generalists adept at foreign languages to cope.

- 8. Information technology will revolutionize, but not replace, diplomacy. We live with a phenomenon that James Reston has called megaphone diplomacy, where former President Bush and Saddam Hussein could insult one another directly live on CNN. Some have concluded that with instantaneous global communications, diplomacy will soon be run by remote control and that diplomats are no longer necessary in many places. The reverse is true. More than ever face-to-face contact is needed both for diplomatic communication and to interpret what is really happening in a foreign society.
- 9. The stress of overseas life is increasingly taking its toll on the modern Foreign Service family. Quality of life is increasingly becoming more important than career enchancement in American society. The most important element in maintaining the best and the brightest in the Foreign Service may be meaningful employment for spouses.
- 10. American society will increasingly demand that its Foreign Service reflect our nation's diverse make-up. In 1991, two-thirds of all Foreign Service generalists were white males. More aggressive recruitment efforts will be needed to attract qualified minorities and women.

This summary of what may be required from America's diplomats at the turn of the century indicates that real challenges lie ahead. How does the current Foreign Service stack up against those future challenges? To find out, the Institute conducted an unscientific poll of 61 current and retired Foreign Service officers. The results are instructive.

We asked the participants to rank the importance of different missions. The functions which are now part of the responsibilities of the new Under Secretary for Global Affairs all ranked in the bottom one-third of the list. The Foreign Service officers in our sampling did not yet believe that any of these issues should be given high priority.

We also asked participants to evaluate the performance of the Foreign Service in 19 specific missions. They gave reasonably good grades to the Service for such traditional functions as political reporting and providing citizen services. Economic reporting and promoting US commercial interests received low grades despite clear recognition that these issues are now of primary importance.

The overall evaluation of the Service's performance was a B-. Given the exceptionally high quality of Foreign Service recruits, the results suggest that the Department has not used its human resources to the fullest extent.

What should be the profile for the A+ Foreign service officer for the year 2001? He or she should be a three-dimensional generalist. First, the officer should specialize and serve in one geographic region for most of his or her career. The officer should have 4/4 capability in a major language of the region and a good grasp of the region's historical, political, and economic trends. No one should be promoted into the Senior Foreign Service without such language Second, the officer should have strong functional capabilities in issues related to that region. For example, a Middle East area specialist might also follow energy policy or politico-military affairs. A Latin American specialist might also concentrate on narcotics control or the environment. Japan specialist might concentrate on trade. An African specialist might concentrate on development assistance. the officer should have management experience to be able to handle the array of issues that face the modern diplomat,

In addition, the Service will need more specialists who are recognized experts in such highly technical issues as the environment, science policy, or nuclear non-proliferation. The Civil Service can provide some of these skills for the Department of State in Washington and other agencies can provide them overseas. But unless the Service has its own cadre of highly trained specialists in these functional subjects, it will lose its edge as we approach the next century.

Mr. Chairman, perhaps I might now share with the Committee ten recommendations on how to improve the Foreign Service to meet three new challenges. Most of these flow from the Institute's report.

Our report concludes that the Foreign Service must be open to greater lateral entry. This authority would be exercised very selectively with a goal of adding highly qualified personnel with needed functional specialties. It is the fastest way to insert needed expertise into the Service at a relatively low cost. Lateral entrants might come from the Civil Service, academia, business, or congressional staffs. The bottom-entry system would continue to provide the majority of the generalists. Strict selection criteria, probation periods and tenuring procedures would need to be established for lateral entrants. This recommendation may be resisted by the career service, in part because some recent lateral entrants are considered by the Service to be underqualified. If new lateral entrants are more carefully chosen, however, this should not be the case. I would remind critics of this proposal that many of the Service's best officers -- for example Reginald Bartholomew, Michael Armacost, James Goodby and Ronald Spiers -- were lateral entrants.

- 2. The Department should encourage greater cross-fertilization between the Poreign Service and the Civil Service, and among the various components of the Foreign Service. In the post war period, policy on this issue has gone through three phases. In the decade after the war, the Foreign and Civil Services were totally separate, with the Foreign Service limited to overseas service. With the Wriston reforms and Herter Commission recommendations, the trend for the next two decades was toward greater integration of the two services into a single system. In 1975, the Murphy Commission recommended a return to the dual system, and a main thrust of the 1980 Act was to implement that concept. I would not urge a return to the Herter Commission recommendations of a singly foreign policy service, but steps are needed to remove some of the artificial barriers. example, Foreign Service personnel should be rewarded for taking assignments at places like the Department of Energy. USIA officers should be able to compete for political counselor posts overseas. Civil servants should be able to bid on selected overseas posts. These things happen on occasion, but they should be the norm.
- 3. Significantly more funding will be required to meet the responsibilities of the Department a decade from now. This will not be easy given the budget deficit and the need to cut spending. Another trend, however, is that many of the resources that the intelligence community spent on Cold War-related issues can now be used for more traditional and open communication. We recommend shifting a limited number of positions and budget authority for economists, specialists in global affairs, and similar functions from the CIA to the State Department.
- 4. To fill posts in new embassies and to deal with global issue, greater emphasis must be given to the needs of the Service in making personnel assignments. Today, the so-called open assignments process gives most of the control to the individual officer and little to the Department. As a result, the Department has great difficulty in filling many critical posts. That system needs to be put back in balance. Foreign Service officers sign up to be available for world-wide service. In addition, longer assignments at overseas posts would provide greater continuity. Officers should be rewarded for taking difficult or longer assignments.
- 5. To retain the Service's very best officers, provide a more secure career for those in the middle, and weed out those who would be more effective elsewhere, several changes should be made in the personnel system. The limited career extension, designed to keep the best officers in the Service has not been used creatively in recent years. After spending a fortune to develop experienced officers, the Department must often let them go in the prime of their professional career because they

have run out of time-in-class. This may make sense in the military where physical fitness is a major criterion, but it is too mechanistic for the Foreign Service. Good officers should not be let go simply because they have run out of time-in-class and are not promoted fast enough. This system also creates unnecessary animosity among Foreign Service colleagues. Much more aggressive use of limited career extensions should be encouraged. Other ways should also be found to maintain personnel assets. For example, officers who leave the Service in mid-career should have reentry rights similar to the competitive Civil Service. At the same time, mechanisms to weed out under-achievers should also be strengthened. Both the tenure process and the selection-out process are ineffective. If the Service is to keep its best longer, it must at the same time be able to discard those who do not fully contribute.

- 6. The existing personnel cone system should be modified to conform to the new State Department structure and needs. A new cone for global and multilateral affairs should be created to attract those who will work in these new high-priority areas. At the same time, the existing concept of a multifunctional officer with capabilities in more than one cone should be expanded, with greater rewards given to those who have multiple capabilities. The decision several years ago not to place officers in cones until they are tenured may have been a mistake. The first class to operate under these rules will be placed in cones this year. Disgruntlement and legal action by many young officers is expected.
- The personnel system should accommodate and reward more training. Between 1980 and 1988, officer years spent in training declined by 23%. That negative trend has been reversed somewhat in the past four years, but FSI has done it without a real budget increase. The problem lies not with the Foreign Service Institute but with the assignment process and with the fact that many in the Foreign Service see most formal training as wasted time. There are few promotion incentives for training, and Department wide budget cuts mean that personnel are diverted from training assignments to take line positions. And yet more training is needed to get the Service ready for the next century. To create the right incentives, we recommend that a professional certification be established by the Foreign Service Institute. It would be based on practical training primarily at FSI, but also at other academic institutions. The time required to be certified might be about two to three years, spread out over the first 20 years of an individual's career. Certification might be made a requirement before an officer is eligible for the Senior Foreign Service.
- After officers are recruited and trained they must be empowered. The sense of lack of purpose has created real

morale problems for the Service. Although former Under Secretary U. Alexis Johnson once said that "morale in the Foreign Service is always at an all-time low; " during recent years morale really has been at an all-time low. During the past four years, Foreign Service officers have by and large been disconnected from the Department's decision making-process. The current State Department reorganization is designed in part to strengthen the bureaus and offices in which most Foreign Service officers work and to connect them directly to the Office of the Secretary of State. This should result in a major boost for Foreign Service morale. Other personnel measures might be considered to empower our diplomats. For example, individual opinions should be encouraged in memos and cables to avoid bland choices for decision makers. A drafting author's work should be clearly identified wherever possible. Senior officers should be rated on their ability to delegate. Empowerment is key to a contented and more productive Foreign Service.

- An equally important consideration is using the talents available in Foreign Service families when they are posted This is both cost effective and critical to family overseas. cohesion. Several pilot programs have been considered in recent years, but no major effort has been made. The Foreign Service Associates Program would have created relatively senior jobs reserved for a limited number of spouses, with a bidding system and some guarantees for employment. The pilot program was abandoned for lack of funds. A more recent and less ambitious effort is the American Family Member Associates (AFMA) Program which provides security clearances and training for selected family members and expedites efforts to provide them with embassy jobs. Spouses have recently been used for visa adjudication in about 20 consular positions. Additional job vacancies need to be identified to use these valuable AFMA resources at our overseas posts.
- 10. To conclude, there is no need for omnibus legislation that fundamentally redirects the Service from the path taken by the 1980 legislation. But the recommendations of the Institute for the Study of Diplomacy would require a few amendments (especially recommendation 3, 8, and possibly 9). Legislative report language to encourage the Department to take new initiatives is particularly important. In addition, the Institute feels that authority should be given to individual bureaus and embassies to experiment on a limited basis with different personnel arrangements. In particular, ambassadors should have greater authority within their embassies to reassign tasks to officers as new requirements arise.

Mr. Chairman, I hope that these suggestions prove useful to the committee as it considers this year's authorization legislation. U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON FOREIGN AFFAIRS, SUBCOMMITTEE ON INTERNATIONAL OPERATIONS

#### STATEMENT OF TORREY STEPHEN WHITMAN,

#### MEMBER, COMMISSION ON STATE DEPARTMENT PERSONNEL

#### MARCH 17, 1993

Last year, I had the honor of serving on the Commission on State! Department Personnel, chaired by Ambassador Nicholas Veliotes. We reported our findings in October, shortly after the Institute for the Study of Diplomacy issued "The Foreign Service in 2001," and just before the appearance of State's in-house study, "Management 2000." These studies are in broad agreement in their assessments of personnel management at State, and about the desired direction of changes. Let me summarize some key and shared findings.

The Department of State's highly centralized personnel management structure does a fairly good job of selecting and promoting employees, but has responded less well to challenges created by changing agency mission and environment. Flexibility, and a willingness to experiment in dealing with staffing problems are all too often lacking.

Such shortcomings could be viewed as acceptable tradeoffs, if the centralized system were meeting other important objectives, such as operating an effective human resources planning system, improving agency-wide performance in developing employees or enhancing diversity, or achieving economies of scale. But the findings run rather in the opposite direction.

Porecasting of changing workforce needs is not well-developed. The Department has experienced continuing difficulties in achieving goals such as increased diversity, or greater language competence, to name but two. As for efficient use of resources, the juxtaposition of a very large personnel bureau with a persistent shortage of resources for employee training and development is a telling comment.

"Streamlining," "flexibility," and "decentralizing" are key words used by all the studies in recommending how to address the problems. Simply put, the existing organizational structures are not producing a return on the heavy investment in resources they represent.

The Department needs to refocus what its personnel managers do, placing greater emphasis on planning and evaluation by its centralized staff, and delegating more operational responsibility for staffing to the line bureaus.

It is far from clear, however, that a radical reorganization of the Department's personnel function would soon generate a markedly better situation. Instead, we have urged retention of a central Bureau of Personnel, with upgraded planning and evaluative capacities, with a reshaped internal structure to achieve more effective and interchangeable use of both Civil and Foreign Service people, and with more decision-making authority in the hands of the line bureaus, advised but not dictated to by Personnel.

We chose to lay greatest stress on moving towards a more linemanagement oriented Foreign Service assignments system and on more creative use of Civil Service employees, because we think improvements in these areas are most needed and easiest to achieve.

Personnelists working with managers who have jobs to fill should be spending less time devising and enforcing system-wide rules to control the process, and more time helping those managers to find and assign the employees they want. Personnelists advising employees on career development should be spending less time brokering assignments, and more time providing assistance and counseling over the long term.

We would hope that a successful attainment of a more flexible and responsive personnel management system in staffing jobs could serve as a model for emulation in dealing with other problems covered in our report.

I want to stress that we believe that changes in personnel administration and resource allocation are what is needed, as apposed to new legislation. The Department of State has a wide array of personnel authorities available to it; the Foreign Service Act used in tandem with Civil Service law and the newly created authority to employ locally resident Americans overseas give the Department all the flexibility it needs, once it resolves to use it. This perception informed the tenor of our report, which proposed little in the way of new legislation, and much in the way if new management practices and procedures, to make more effective use of existing authority

Let me suggest a few indicators that might be of use to this Committee in overseeing the gradual decentralization that we hope the Department will pursue in managing its' people. Individually and collectively. Foreign Service people should be spending the bulk of their careers overseas, in postings determined primarily by management's needs. Concomitantly, Department managers should have the authority they need to augment Foreign Service personnel with whatever other categories of employees are needed to conduct toreign relations competently and cost-effectively overseas. It should be possible to attain both these objectives with a smaller, less sumbersome personnel bureaucracy.

# Policy Recommendations in Respect to the Hearing of the House Subcommittee on International Operations on "The Foreign Service: Prospects for Reform"

#### Rep. Robert Menendez (D-N.J.) March 17, 1993

- 1. The most qualified Hispanics, including prominent Hispanic women, should be appointed to Ambassadorships as soon as possible.
- 2. The State Department should begin a concerted and determined effort to recruit, retain, and promote Hispanics so that it reflects the diversity of the United States population. Full funding for the State Department's five-year EEO Recruitment Plan would be a significant step.
- 3. An Hispanic should be considered for appointment as the Assistant Secretary of the Office of Equal Employment Opportunity and Civil Rights at the Department of State.
- 4. The Department should create an oversight board for EEO complaints resolution which will include representatives of the Deputy Secretary's Office, its Equal Employment Opportunity Office, the U.S. EEOC, and its EEO Advisory Council (which includes minority groups and women).

This oversight board should reach a consensus on setting a time-line for resolving the current outstanding complaints, improving the EEO process to handle future complaints, and ensuring that adequate resources are budgeting for this purpose.



# THE FUTURE OF INTERNATIONAL EXCHANGES

#### TUESDAY, MARCH 23, 1993

House of Representatives, Committee on Foreign Affairs, Subcommittee on International Operations, Washington, DC.

The subcommittee met, pursuant to notice, at 2 p.m., in room 2200, Rayburn House Office Building, Washington, D.C., Hon. Howard L. Berman (chairman of the subcommittee) presiding.

Mr. BERMAN. I call this meeting of International Operations to order. I am very happy to welcome our witnesses today. I have asked our witnesses to come up as a group, with the exception of the representation of the General Accounting Office, Joe Kelley, who will testify after the four of you are done.

I am very happy to welcome our witnesses to today's hearing. The subject we will consider may not be one which makes the headlines, but it is none the less vital to our national interest in

peace and security.

This is the second in a series of hearings which will assess our public diplomacy programs in light of the profound changes which have recently taken place in the world. These changes offer new terrain for our exchange programs, new opportunities for institutional arrangements free of government interference, and new challenges for the setting of priorities to meet vast new needs with scarce resources.

When we think of our foreign policy tools, even in the area of public diplomacy, the tendency is to think first of the promotion of our immediate interests directly to the publics of other countries. What is equally important, however, is mutual understanding between the peoples of the United States and other nations. It is this which builds long-term "assets" of good will and accurate information

Unlike the more immediate communication offered by public diplomacy tools like broadcasting, a long-term strategy of mutual interchange has the effect of dissipating tensions or hostility; of cultivating in present and future elites of other nations an appreciation of American values and perspectives; and of enriching and improving the information on which official and public participation in foreign policy and foreign relations will be based.

I believe that our traditional educational and cultural exchange programs have had a profound and constructive impact. It is also clear that new approaches are called for by both the political changes we have recently witnesses and the technological, economic and social changes in the conduct of communication between nations which have occurred over the last generation. This is apprent from the fact that agencies and organizations which have a clear interest in the traditional programs have also begun new and innovative projects to meet new needs and opportunities. We will hear about some of these today, such as the Organization of American Historians.

It is also clear that many organizations and agencies which we do not think of as exchange organizations have found it useful to use the tools of exchanges to accomplish their institutional missions. We will hear from the Asia Foundation about its institution

building activities.

I want to emphasize that the exploration of new approaches does not imply criticism of the traditional approaches or doubts about their utility. The Fulbright program and the work of USIA Foreign Service Officers at posts abroad remain invaluable, both of our foreign policy and to the richness of our intellectual life.

In a period of resource constraints, we must also look at several

questions.

While government funds are a significant factor, private and non-Federal institutions support government exchange programs with in-kind support, and supplement them with many privately funded exchange programs. The most recent calculations of the private contribution to Fulbrights over a 35-year period suggest that private resources have supported this official activity of the U.S. Government to the tune of an additional 70 percent.

We must ask how we can increase these resources. The Debt for Development Coalition will describe novel approaches which might be taken for financing additional educational exchanges by the au-

thorization of debt for education swaps.

In addition to the actual contribution of resources to government programs, one might consider the extent to which entirely private activities, whether by universities, journalists, or simply private travelers for business or pleasure, promote the purposes of carrying the message of U.S. values and fostering good will and better understanding. That suggests the importance of eliminating or reducing legal restraints on the capacity of *publics* of the United States and other nations to engage in dialogue not supported by the government; for example regulatory restraints on travel or educational and intellectual activity across national borders. I will soon introduce the Free Trade in Ideas Act to address these problems.

We should also look at the proliferation of exchange programs at other agencies and departments, and the possibilities of duplication and overlap. The General Accounting Office will testify on the results of their recent survey of exchange programs throughout the

Federal Government.

Finally, we might look at the extent to which our purposes in promoting mutual understanding can be served by the resources of multilateral organizations. At our hearing on March 10, we heard testimony from Leonard Sussman, former Executive Director of Freedom House and author of a recent book on the Fulbright program. He testified that the United Nations Educational, Scientific and Cultural Organizations (UNESCO) offers significant resources of international cultural and educational networks for advancing

the United States' public diplomacy efforts. Having been one of leading proponents in the late 1970's and early 1980's of U.S. withdrawal from UNESCO, he suggested that the organization has reformed entirely, and that the United States should rejoin it. The administration has indicated that it will review the question of U.S. membership in UNESCO, with a view to ensuring the promotion of U.S. interests.

Our first witness is Dr. Dunn, Charles W. Dunn. He is chairman of the J. William Fulbright Foreign Scholarship Board. Dr. Dunn, we have a copy of your testimony. We appreciate your summarizing it and sharing your thoughts with us. Thank you for coming.

Mr. DUNN. Thank you, Mr. Chairman.

### STATEMENT OF DR. CHARLES W. DUNN, CHAIRMAN, J. WILLIAM FULBRIGHT FOREIGN SCHOLARSHIP BOARD

Mr. DUNN. When Winston Churchill said, "Never have so few done so much for so many with so little," he was not referring to the Fulbright program, but he could have. We are, indeed, on a budget of American taxpayers dollars over the last 45 years. Only \$1.5 billion have been invested, but that investment, of course, has now spread around the world to 130 countries, beginning with fewer than 10 countries in Western Europe.

When Abraham Lincoln said, "I will study and be prepared should my time come," he, too, was not referring to the Fulbright program, but he could have. Indeed, the Fulbright program has produced Nobel Prize winners, Pulitzer Prize winners, artists, law-

yers, senators, congressmen, and Supreme Court justices.
When Victor Hugo said, "No army can stop an idea whose time has come," he was not referring to the Fulbright program, but he could have. We now have an army of some 200,000 Fulbright alum-

ni in these 130 countries of the world.

Indeed, the Fulbright program in the report just released by the Advisory Commission on Public Diplomacy says, "The Fulbright program is a model of wise investment in long term international understanding." Moreover, the chairman of that commissions says that, "The president should make educational exchange central and

more cost effective elements of America's foreign relations.

I raise today in my testimony three questions. First, what is America's best, but least appreciated, export? I suggest that, for three reasons, American higher education is our best, but least appreciated, export. First, if we look at the numbers, 800,000 international students scattered in the 7 principal importing countries. One-half or some 400,000 of those are in the United States, and about 80 percent of them pay their own way just to come to the United States to study. Second, if we look at what individuals have said about American higher education, such as one European Fulbright administrator who recently said that higher education is now America's best export, or librarian of Congress, Jim Billington, who said, "What can be a more faithful projection of American values than giving the brightest individuals the opportunity to find their own way via education?," we must necessarily conclude that higher education is, indeed, our number one export. And then, finally, if we look to what other countries are doing, they are, indeed, seeking to compete with the United States in attracting stu-

dents and scholars to their countries.

The second question, what U.S. Government program yields the highest dividend per dollar invested? This figure of \$1.45 billion since 1946 needs to be applied to point out that in 1949–50 constant dollars, the budget of the Fulbright program began with \$6.8 million, and today, it is only about \$13.5 million, indeed, a high dividend per dollar invested. If we look at the alumni, who they are, and the impact of the program in many countries, such as Mexico, whose economy has been reformed through the work, principally, of Fulbrighters, more recently, China, of course, is trying to expand the Fulbright program there, we find definite indications of the impact of this program as a wise investment.

Also, foreign contributions from other countries. Several countries of the world provide over 50 percent of the funding for the Fulbright program—Germany, Japan, Taiwan and Spain. The last of those funds had over 90 percent of the level for the program. The present American ambassador to Japan, I think, appropriately summarizes the defense of this conclusion that the Fulbright program yields the highest dividend per dollar invested as follows: "The most successful four-sided element of America's, or perhaps, any nation's international cultural policy is the Fulbright pro-

gram."

The third and last question is, what should be the future of the Fulbright program? Our board, several years ago, began an extensive series of hearings or round table discussions featuring people like the librarian of Congress and the president of the American Council of Learned Societies, resulting in the publication of a white paper on the future of the Fulbright program. In that, we call for a doubling of the funding of the program, recognizing that the budget has been essentially flat since the very beginning of the program. We point out that there is a need for a refined focus of the program.

Now, of course, the Fulbright program is no longer the only person on the block. There is a great deal of competition. And yet, the Fulbright program is referred to as the flagship for international scholar exchange. It has been oft imitated, but never duplicated, by other countries. It has been referred to as a national treasure, and

also, as a global trust.

So, the point that we want to make here is that funding has not measured up to the reputation of the program, and that with regard to the focus, there is a need to refine that focus in a crowded marketplace providing product differentiation, or in the words of Stanley Katz, the president of ACLS, "A redefinition of purpose for

the Fulbright program."

In closing, with regard to the future, I would like to pinpoint these ideas. First, to consolidate all past and future congressionally mandated academic exchange activities under the J. William Fulbright Foreign Scholarship Board; second, to enact a congressional charter for the Fulbright Scholarship Board; third, to revamp USIA's basic organizational structure; fourth, to strengthen the Fulbright program's academic ties; fifth, to create a Fulbright endowment; sixth, to establish a centralized private fundraising mechanism. I pause point out here that the name Fulbright raises

substantial sums abroad, but in America, we have been derelict in not using the name Fulbright to buttress funding for the program through private initiatives. Seventh, to hold a Fulbright summit in honor of the 50th anniversary of the program coming up in 1996; eighth, with regard to the sighting of the Fulbright program, where it best belongs; and ninth, the strengthening of binational commissions; and, tenth, providing appropriate recognition of Senator Ful-

bright himself.

With regard to these 10, I would only like to address a couple of matters here. First, the advisory commission, in its just released report on page 53, says, "Increased funding for exchanges is in the national interest, but earmarking the creation of new programs and overemphasis on number of participants have stretched management capacities." What I am calling for here is to streamline and simplify the program within the U.S. Information Agency so that there is a better base of oversight for the Congress, as well as for the Fulbright Board, and also, a more streamlined operational procedure within USÍA.

The advisory commission also says, on page 53, "A comprehensive inventory of government funded exchanges is needed for USIA and Congress to address possible program duplications and assess ways to reduce costs and improve coordination." So, the 10 proposition that I put before you are intended in part, if not in full, to

address these concerns of the advisory commission.

In closing, I would like to indicate that the program has been housed either in the State Department or USIA since its beginning-of course, since 1978, in USIA. It has functioned well within the U.S. Information Agency. The position that I take here is that the Fulbright program needs to have greater prominence within the organizational structure of the U.S. Information Agency.

I would like to quote from the book that has just been released that our board sponsored, authored by Leonard Sussman, who previously testified before your committee. The book is the Culture of Freedom, the Small World of Fulbright Scholars. He states, "Only at our peril do we continue to keep that wonderful idea, that incredible process, that unique network of Fulbrighters, relatively secret."

Thank you.

[The prepared statement of Dr. Dunn may be found in the appendix.]

Mr. BERMAN. Thank you very much, Dr. Dunn. Our next witness is Dr. Joyce Appleby, who is a past president and board member of the Organization of American Historians. She is also a professor of history at UCLA, a school with which I have long attachments, some of it positive. Welcome to the subcommittee, Dr. Appleby.

Ms. APPLEBY. Thank you, Chairman Berman. I would like you to

know that UCLA returns the compliments almost totally. It is very

proud of its distinguished alumnus.

STATEMENT OF DR. JOYCE APPLEBY, PROFESSOR OF HIS-TORY, UCLA, PAST PRESIDENT AND BOARD MEMBER OF THE ORGANIZATION OF AMERICAN HISTORIANS

Ms. APPLEBY. The Organization of American Historians has a membership of slightly over 12,000. We are mainly college and university teachers of American history, but there are also public historians who work for government agencies, or museums, or institutes. However, not all of our membership works in the United States, and not all of the historians who study the United States are in the United States. Actually, there are scholars in the field of American history all over the world.

The OAH is now in its fourth year of an internationalization effort which is directed at trying to establish stronger links with scholars around the world whose field is the history of the United States. Our first effort was to bring foreign Americanists to our annual meeting. The annual meeting is where new scholarship in American history is showcased. We were able with the support of the USIA, the Marshall Fund, the MacArthur Foundation, to bring over 60 American historians from around the world to our last annual meeting, well over 50 of them participating in the program. We are going to bring a smaller number this year.

We also internationalized our journal, which meant reaching out to American historians outside the United States, and bringing them to a new foreign editorial board to match our domestic board. We also are extending our coverage of foreign scholarship in the

books that we review.

In this process, we got to know a good many American historians working around the world. We have surveyed them. We have talked to them at the annual meeting. We have gone to foreign countries to discuss what it is like to teach American history out-

side the United States. We learned a great deal.

Much of their discussion of the challenge of teaching American history outside the United States has focused upon their desperate need for books. This is, of course, a need that is acute, outside of Western Europe and Japan. There are about 65 colleges and universities around the world, outside of Western Europe and Japan, where American studies are taught: American literature, American history, government, sociology, economics, communication studies. There are 65 that do not have the adequate resources to teach these courses. This means that their students do not have access to books.

The career pattern of these young adults 18 to 22 years old, is to come into American studies through English literature, and then to move from English literature to American literature and to American studies. What happens in the absence of scholarly material, the kinds of things that American college students are reading in these courses, is that the courses tend to focus upon popular culture, to use American television, movies, commercials, what is accessible to them as a kind of an academic support for their courses. This means that you have some very good courses on popular culture, but you also have a tendency to fortify negative stereotypes about the United States. Television, and movies, and commercials are in no way a substitute for reading the history books, reading the books on American politics, reading on American sociology and economics, the sorts of things that would give them a real understanding of the country, its historical processes, its dynamic contemporary culture.

Mr. BERMAN. I cannot think how you could get a negative stereotype of Americans from watching American television. [Laughter.]

Ms. APPLEBY. Well, it is hard, but—I mean, we have that problem domestically as well, but at least, we have the balance of access to other information.

So we come before you with a proposal to remedy what we think is a serious deficit in our cultural relations with the world. That is, we would like to see Congress support an effort to build American studies libraries in those colleges and universities where there is already an established American studies program, but where there are not the resources to support those courses with curriculum material and with books.

We propose a gradual process of 12 years of bringing these 65 colleges and universities into the American Studies Library project. The estimated cost would be about \$45,000 a library. This is an estimate. To further this work, we have developed lists from committees of scholars in five disciplines—history, political science, economics, sociology, and communication studies. We have asked them to draw up a list of what would be a core library of the most important scholarship of the last 25 years. Some of these would be books much older than that, but the books would include recent scholarship, as well as those classics, that they would see as simply forming a core for college students. This has given us some idea of how much money would be involved.

We think it is extremely important that these libraries be placed where there are American studies courses, and also, strong faculty members, where there is a host institution that is willing to enter into an agreement to be sure that these books are integrated into

the curriculum and that there is access to the students.

Our target group is, obviously, the young men and women who are learning English, have the fluency in English to read the scholarly literature, and who are majoring, or concentrating, in American studies courses. One of the things we have asked and we have been interested in is, what do these students do after they graduate from their college or university? Well, many of them become school teachers, high school teachers, teaching English at the lower levels. Lots of them go into government agencies, particularly those that have dealings with the English speaking world. Many of them go into broadcasting and journalism. Others go into business.

We think that they are a very strategically placed group of young people, a kind of an ever-refreshing young people, because, of course, there is always another group coming along, passing through the university. We think they are very strategically placed to be the conduits of a serious understanding of American history and culture, and they are in a position to influence other people in the forming of opinions about what the United States does, stands

for, represents, and how it is constituted.

These libraries, we recognize, are just a material resource. They are an intellectual infrastructure. What is going to make them work and be important would be to have mutually enhancing programs that would offer an opportunity for the teachers abroad who are using them to continue their own education. There are a number of new initiatives in the USIA, particularly in the Division for the Study of the United States that would be interactive with this library like summer institutes bringing historians, political scientists, and other scholars in the social sciences to the United

States for 6-week studies; there are also proposals for regional conferences bringing college professors who teach in these fields to interact with American historians and American social scientists.

So there are a number of programs that would, I think, guarantee that these libraries would be used in a way that would be part of a dynamic learning process. We are very pleased that the USIA is taking these initiatives because we see them as critically important to our own effort to internationalize the organization and the

outreach to foreign scholars.

I think this is probably the first time in the history of the teaching of American history that we have established very strong, sustained connections with our peers in other countries who have elected to make American history or American social studies their field of inquiry, their profession. So, there is a wonderful interaction that is going on here, and, of course, we would expect, too, to learn from them and their perspectives. The perspective they take up vis a vis the United States, obviously, informs their scholarship in a different way than that of those of us who are citizens of the United States.

I think it is important to say just a word about this scholarship because putting young people in touch with American scholarship, and history, and in the social sciences, is not just bringing them in contact with a body of learning that is quite exciting, but it is also to introduce them to the democratic practice of scholarship. They will learn what it means to have uncensored lines of inquiry, to have open access to archives, to have dissent and discussions about what constitutes appropriate interpretations, or even what

constitutes knowledge.

The American scholarship, particularly in history in the last 25 years, has addressed a whole range of problems that are going to be the problems of the 21st century. I mean, American history is now almost four centuries old. It is extraordinarily rich, but recently, what we have had is historians take their scholarly interests into the barrio, into the ghetto, into the workplace, into the home, into the family, and they have produced a body of scholarship about ethnicity, about labor relations, about urban development, about women's history that just resonates with meaning for young people all over the world.

I think this is an intellectual export, the books and scholarly journals, about American history and allied fields, that we can all be extraordinarily proud of. I also think it is the means for our forging an enduring link of a very serious kind with the future gen-

erations around the world.

[The prepared statement of Dr. Appleby may be found in the ap-

pendix.

Mr. BERMAN. Thank you very much, Dr. Appleby. Our next witness has been before the subcommittee before. He is the president of the Asia Foundation, Dr. William Fuller.

Dr. Fuller, it is good to see you again.

Mr. FULLER. Thank you. I will submit my full statement for the record and just take a few minutes here to summarize highlights.

## STATEMENT OF DR. WILLIAM P. FULLER, PRESIDENT, THE ASIA FOUNDATION

Mr. FULLER. I would like to touch briefly on three topics, if I might. First, the changes in the post-cold war period that are affecting public diplomacy. Second, why private organization can be expected to play a larger role in the 1990's. And then, third, the characteristics of private organizations that enable them to serve as an effective complement to U.S. Government efforts, particularly

at this time when diplomacy is changing.

A quick review of major changes affecting diplomacy, and I am going to draw on our experience in Asia. First, partly as a consequence of the decline in emphasis on security issues, it is clear that many other factors are beginning to affect U.S. Asian relations. The list is long, and the issues are sensitive—trade disputes; concerns for human rights and democratization; environmental issues; ethnic conflict. Some of these issues, in my view, simply cannot be dealt with in their entirety by governments alone. And that is a point I want to return to a little later.

Second, economic growth and increases in democracy and broader civic participation in Asia and the Pacific are resulting in private sectors and nongovernmental organizations playing a far stronger role in policy formulation, and even in the conduct of international affairs. I guess the conclusion there is that government-to-government relationships may need to be complemented even more fully

in the future by private efforts.

The third change that is important is that there are leadership changes occurring in the region, or will soon be occurring, and that includes China, Vietnam, and Indonesia. Emerging leaders appear to be more pragmatic. They appear to be less ideological, but they are certainly drawn from a more diverse spectrum of society, not just a small elite group that has traditionally had contacts with the West. And it is important that America have access now to this generation of Asian leadership.

And, finally, with advances in communication technology, international affairs are increasingly a part of the daily life of Asians, as in America, and as a consequence, public views of international relations are likely to become more important as an influence on

foreign policy.

Mr. Chairman, these are profound changes in my view, and they are going to affect the way that the United States interacts with countries in Asia and the Pacific. I believe they suggest a stronger role for private organizations. I would like to illustrate this point, if I might, by mentioning some of the experience of the Asia Foun-

dation in supporting democratic development.

As this committee is well aware, the Foundation's goals are to support the development of democratic systems in Asia and the Pacific, encourage open market economies, and improve U.S. Asian relations, all of which are in America's long-term interest. Operating through a number of field offices, we make grants to train emerging leaders, to strengthen institutions, and to help in policy formulation. Our grant funds are used to finance training, exchanges, technical assistance, conferences, startup costs for new organizations. To support democracy and human rights, we help develop essential democratic institutions such as parliaments, judicial sys-

tems, and election organizations. And, at the same time, we help in the development of citizens' groups, for example, women, human

rights, and environmental organizations.

In the last few years, democratic systems have begun to emerge in significant ways in Nepal, Mongolia, Philippines, Pakistan, Thailand, Bangladesh, South Korea, Taiwan. To be sure, hard cases remain, China, North Korea, Vietnam. But, even Asia's Leninist states are showing signs of pluralism, driven, I think, essentially by an economic openness that is occurring. But these democratic transitions, at least in my view, are complex and long term, and they require sustained support. Policy change and institutional development take time and considerable effort. There are enormous transition problems that need to be addressed. We have certainly seen some of them in the former Soviet Union—increases in ethnic nationalism and violence; problematic civil military relations; economic changes that require painful adjustments; and perhaps, most difficult of all, building civil societies in populations that simply have been bypassed by political processes.

So, returning to our theme today of public diplomacy, in many cases, it would be difficult, if not impossible, for the U.S. Government to directly support programs dealing with all of the dimen-

sions of these complex issues, and for several reasons.

First, direct U.S. Government support could interfere with other priority issues that the U.S. Government has got to deal with in bilateral relationships. Second, many nongovernmental organizations in Asia are reluctant to take support directly from government organizations. And, third, U.S. Government machinery may not have the flexibility and the responsiveness that is required to deal with programs aimed at developing democratic systems.

Nongovernmental organizations, on the other hand, can offer direct encouragement and support in flexible, sensitive and timely ways. For example, turning to the Asia Foundation, in Indonesia, at the request of the speaker of the house, we have been engaged in the delicate task of supporting efforts to strengthen the role of the Parliament vis a vis the executive branch. We responded quickly to this request, and are now funding a legislative staff, the first legislative staff to analyze bills that this country has ever had. That is a significant development.

One of the most challenging aspects of building democracies is to establish mechanisms that encourage accountability on the part of elected officials. In Thailand, the Foundation is supporting the establishment of a Members of Parliament Watch, a university-based effort which keeps an eye on the ethics of members of parliament.

We are doing this in a number of other countries.

We have been interested in supporting efforts in China to strengthen the law, particularly protection of rights. Again, this is a sensitive area, and entry points are difficult to find. Nonetheless, we have been requested to help develop environmental law and to train judges. What is unusual about this program is that includes mock trials where citizens sue government when laws are broken.

I cite these examples, Mr. Chairman, because I think they illustrate the sensitivities that this type of work could pose for direct

U.S. Government involvement.

But, the benefit of the Foundation's work for Asia, in a public diplomacy sense, is only part of the story. The consultative relationship that the Foundation has with the U.S. Government enables the official policy community, both in Washington and in the embassies in Asia, to gain a stronger sense of the emerging issues in U.S. Asian relations, as well as for new leaders coming on to the scene. In a more formal way, our Center for Asian Pacific Affairs conducts dialogues between American and Asian policymakers, and publishes commentary on issues of concern on both sides of the Pa-

Let me conclude with a few observations about characteristics which enable organizations like ours to play an important role in public diplomacy. In the case of the Asia Foundation, first, we have made a long term commitment to the region, and it is paying off. We have been operating in Asia for 40 years, and the Foundation's grants have touched the lives of many people who are now in leadership positions. We have good access to leadership, and we are trusted. As a consequence, I think we are able to make grants for activities that might be difficult for other organizations to handle.

Second, we have built up over the years networks of Asian organizations and expertise. We draw on that expertise extensively. For example, when the Nepalese were planning their elections a year and a half ago, with funding from the Asia Foundation, Nepal brought a group from the Philippines to help in training their own nongovernmental organizations and government election machinery in election management and oversight.

Third, we operate through offices that are located in countries in the region, and we think this is essential to keep in touch with a broad spectrum of society, so important these days as pluralism is emerging and leaders are drawn from diverse backgrounds.

And, finally, we invest time in listening and trying to understand how Asians see the development of their own societies, and their

own view of what works and what does not work.

Mr. Chairman, what I have tried to say is that the end of the cold war, growing democratization, more open economic systems, and the expansion of communication technologies, all of this is affecting the public diplomacy landscape. New issues affecting relations among states have emerged. The growth of contacts and transactions by nonstate actors has risen sharply. As a result, relations between the United States and Asian and Pacific countries have become more complex. The U.S. Government alone, it seems to me, cannot deal effectively with all of these changes, although it certainly has a very important role to play, and it needs to count on complementary support from other organizations.

Our specific contributions to public diplomacy are several. First and foremost, we are assisting specific programs that support the American interests. For example, democratization or conferences that deal with challenging issues of interest to us, such as civil/ military relations. We are involved in substantial ways with the parliaments of 15 countries in Asia and the Pacific. We have helped in the management of elections in almost every country in the re-

gion that has held elections in the last few years.

Secondly, an important part of our program is exchanges. We handle about 750 Asian and Pacific islanders each year, and we are beginning to reach into nontraditional areas, into business, into

dispute resolution groups, and so on.

And third, we are maintaining contact with a broad range of organizations and groups. For example, the Foundation reaches about 8,500 institutions in Asia and the Pacific yearly with its books distribution program. Further, we have assisted over 800 nongovernmental organizations in Asia and the Pacific Islands in the last 5 years. But, in addition, the Foundation also serves sometimes as an American advance team, building bridges with countries that have been closed to the United States. For example, the Foundation's exchange programs with Vietnam, which began a year and a half ago, or our involvement in Mongolia, beginning in-1989, or an initial exchange with North Korea.

Finally, in its public diplomacy role, the Foundation occasionally serves as a go-between between Asian countries and the United States. The off record bilateral meetings that we support between the United States and countries in the region, which bring together government, academics and business from both sides of the Pacific.

I think has served this purpose well.

Mr. Chairman, I appreciate the opportunity to testify about the growing role of private organizations in public diplomacy, and would be pleased to respond to questions later. Thank you.

The prepared statement of Mr. Fuller may be found in the ap-

pendix.

Mr. BERMAN. Thank you, Dr. Fuller. Our final witness on this panel, and who is accompanied by-well, I will let Dr. York introduce the individual he is accompanied by—but it is Dr. E. T. York, Jr. He is the Chancellor Emeritus of the University of Florida system, and he is here on behalf of the Debt-for-Development Coalition:

Dr. York.

Mr. YORK. Thank you, Mr. Chairman.

Mr. BERMAN. Let me say, once again, that your entire statement will be placed in the record. Mr. YORK. Thank you.

STATEMENT OF DR. E.T. YORK, JR., CHANCELLOR EMERITUS OF THE STATE UNIVERSITY SYSTEM OF FLORIDA AND MEM-BER OF THE BOARD OF DIRECTORS OF THE DEBT-FOR-DE-VELOPMENT COALITION, INC.; ACCOMPANIED BY DR. JOHN ROSS, PRESIDENT OF THE DEBT-FOR-DEVELOPMENT COALI-TION, INC.

Mr. YORK. I am here today, as the chairman indicates, representing the Debt-for-Development Coalition. I serve on their board of directors. Dr. John Ross, who is president of the Coalition, which is headquartered here in Washington, is also here. I appreciate the opportunity to discuss with you opportunities for expanded application of the Debt-for-Development concept, which is already proving to be a very effective tool in U.S. development efforts.

Although the end of the cold war has offered unprecedented opportunities for global cooperation, budgetary pressures and competing demands here at home now limit resources for international programs. Increasing demands for U.S. educational and technical assistance efforts to deal with important global issues are severely

straining funding for U.S. Government agencies and those supporting institutions that are concerned with building collaborative pro-

grams around the world.

Debt-for-Development transactions are proving to be a very effective mechanism to increase the amount of funding available for development programs, including educational and cultural exchanges, of vital importance to the United States. Debt-for-Development conversions allow nongovernment organizations (NGO's), such as universities or cultural exchange organizations, to maximize their limited resources for various international programs. At the same time, Debt-for-Development transactions provide opportunities for debtor countries to reduce their external debt burden by paying of part of their external debt in local currency, often in an amount less than the face value of the debt.

Let me take just a moment to explain briefly how debt conversions work. Because many external debt instruments of developing countries have little chance of being fully repaid, they can be purchased on the secondary market for a price substantially below their face value. In the debt swap approach, the nongovernment organization uses its hard currency resources to purchase this discounted debt, and the debtor country agrees to redeem the debt for local currency in an amount exceeding the discounted price the NGO might pay for the debt. The NGO agrees to spend the local currency in an approved local development, environmental or social welfare project. My prepared text has a table, or chart, which illustrates how the process works.

In the final analysis, debt conversions are a win-win-win proposition for all parties. It benefits NGO's and donor agencies by increasing the funds they have available to work in developing countries. Debt swaps, of course, benefit the developing countries in

many different ways.

One, by improving the ability of a debtor country to service its remaining debt, and attract new loans and investments. Developing countries are also benefited by the fact that resources that would have been used to make payments to foreign creditors can, instead, by used to promote their own domestic development, environmental and social welfare programs. The creditor communities also benefit because conversions benefit the debtor countries' economy, and increases the likelihood that the country will service its remaining debt. My prepared text includes an example of how such conversions have worked very effectively to deal with the serious

health problem in Nigeria.

While the Congress has been very supportive of the Debt-for-Development concept, only one Federal agency, the Agency for International Development, allows its grantees to use Federal funds for Debt-for-Development transactions. We believe that the U.S. Information Agency could greatly benefit by having similar legislative authority to allow recipients of its grants and contracts to use those funds to finance debt conversions. With the tight budget situation we are facing, debt conversion programs offer one means of expanding overseas activities for USIA without the cost of more dollars. It will allow the continuance of exchange programs at current levels or the addition of new programs without additional resources by

providing a means to increase local currencies for in-country pur-

poses.

The coalition would be glad to work with the committee and Agency staff to develop appropriate language and help to set up procedures and guidelines on Debt-for-Development conversions in-

volving U.S. Government funds.

Mr. Chairman, in my prepared remarks, I have a statement suggesting that the debt conversion process might be used for U.S. bilateral debt to enhance development in exchange programs in a matter that is already being used with commercial debt. I will not discuss that here, but would ask that my remarks be included in

Finally, Mr. Chairman, may I say that the value of Debt-for-Development conversions is already being amply demonstrated through the work of the Debt-for-Development Coalition. Last year alone, the Coalition completed about 45 Debt-for-Development transactions for 24 major development organizations in six different countries. Under these transactions, NGO investments of about \$4 million have generated about \$3 million in additional resources for development and retired over \$6.3 million in external debt of developing countries.

I strongly believe that significant benefits could accrue to our nation in its international development and exchange activities if Congress would grant authority to USIA to utilize this mechanism to leverage the funds available to support its program activities.

Mr. Ross and I would be happy to respond to questions.

The prepared statement of Dr. York may be found in the appen-

dix.1

Mr. BERMAN. Well, thank you very much, Dr. York. It is an interesting proposal. Before we turn to questions, I would like to recognize the ranking member of the subcommittee for any comments

that she might have. Ms. Snowe.

Ms. Snowe. Thank you, Mr. Chairman. I just want to express my appreciation to all the witnesses here today on a very important area of our subcommittee's jurisdiction. Obviously, the exchange programs have proved of value over the years in probably more ways than we know. The Congress, has expressed strong support for the exchange programs in the past. At times, it is an asset, and sometimes, it has been a problem.

The problem is, not only has this support led to a proliferation of exchange programs, but it has also led to excessive earmarks and inflexibility in delivering those programs. One of our challenges here as a subcommittee is to review the exchange programs. As we know, there are a wide range of these programs throughout a number of agencies, and we have to determine how best we can deliver these programs in the future, given our constraints with the Federal budget, and the deficit, and our future spending needs.

The chairman and I requested a General Accounting Office report on the exchanges so that we can best decide, in the process of this authorization, how do we proceed in the future trying to improve upon them without undermining the credibility of the exchange programs. But we must do this while delivering these programs in the most effective and efficient manner, given the constraints that we now face here in the Congress and as a country. So, again, I want to express my appreciation for your input and for your opinions and positions on the exchange programs and your experiences with them. Thank you, Mr. Chairman.

The prepared statement of Ms. Snowe may be found in the ap-

pendix.]

Mr. BERMAN. Thank you, Ms. Snowe. I will recognize myself first for 5 minutes of questions. I would like to focus these questions to Dr. Dunn regarding the Fulbright program and some of the points

that you have made.

Just to review, the program's—explain the difference between a Fulbright program and a program implemented according to Fulbright guidelines. You indicated in your testimony you would like to see a consolidation, where some of these programs that Congress has created would be administered according to Fulbright guidelines. What would the distinction be if we were to do that? What would be left of these other programs?

Mr. DUNN. One of the best illustrations is the Hubert Humphrey program is administered, as I indicated in my testimony, under the broad policy guidelines of our Fulbright board. We would suggest, also, that other programs that are comparable in nature, such as the Muskie program, could also benefit from being under the broad

policy guidance of the Fulbright board.

There are approximately 12 to 15 different programs that might be loosely construed as exchange programs, and some of those, I think, would benefit from a consolidation, streamlining, simplification. Organizationally, it would help the Congress in its oversight, as well as our board, and, indeed, I think the Agency itself.

as well as our board, and, indeed, I think the Agency itself.

Mr. BERMAN. Flesh that out a little bit. If I receive a Humphrey scholarship or a fellowship grant versus a Fulbright grant, what is the difference? Is the Humphrey program designated for a certain

kind of student? Is the Muskie program-

Mr. DUNN. Yes, each of these-

Mr. BERMAN. Run through a few of those different programs.

Mr. DUNN. The principal difference to distinguish Fulbright from the others, one, the Fulbright program is two-way—Americans going overseas and persons from overseas coming to the United States. The Humphrey program, of course, is a North/South program, but it is persons from overseas coming to the United States. It is not a true exchange program in the sense of being two way.

The Muskie program is similar in that it is not two-way. So that is how we would distinguish the Fulbright program, principally, and that is one of the things that distinguishes it internationally as the flagship of international exchange. Many of the programs that the Congress has specified and earmarked funds for are one

way of bringing people overseas to the United States.

Mr. BERMAN. Well, as to the Fulbright program, how much of your resources are spent bringing students here, as opposed to

sending Americans abroad?

Mr. DUNN. Our ideal is 50/50. We, of course, do not achieve that. The ideal is one American going overseas and one person from overseas coming to the United States. While that is the idea, we fall short of that. It depends, of course, to the individual country and the region of the world as to how close we come to that one

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to one ideal, and also, the equity of distribution of resources, given

that one to one ideal.

Mr. BERMAN. When Senator Fulbright appeared before the subcommittee last year, he suggested that the purposes of exchanges and of public diplomacy might not be entirely compatible. What do you think he meant? And do you see an inherent tension between the two?

Mr. DUNN. Yes.

Mr. BERMAN. And do you have any suggestions for safeguarding

the missions of each?

Mr. DUNN. The Fulbright program, going back to Congress's statutory intent, beginning in 1946, is not political, or economic, or social in nature. It is to help create mutual understanding among the peoples of the world. Now, that is our principal product. Emanating from that are numerous byproducts: economic development, stability, political development and stability. But, those are byproducts. I think what Senator Fulbright has in mind is that the program is not intended to serve short term political policy objectives of the U.S. Government. It is a long-term investment that relates to that primary product of mutual understanding among the people of the world.

Mr. BERMAN. So you described two different missions.

Mr. DUNN. Yes.

Mr. BERMAN. Do you see the tension between those two different missions?

Mr. DUNN. Yes, we see the tension because there are people——Mr. BERMAN. Are people trying to get you to bring somebody over, and they do not get that country to vote with us in the U.N.?

Mr. DUNN. Well, not quite that blatant, no. But, there are, of course, individuals and groups that would like to see the program utilized for short term political objectives. That is something that our board has consistently and conscientiously objected to.

Mr. BERMAN. Bring the leaders of the Russian Congress over

here for about 6 months, and—[Laughter.]

Mr. DUNN. Yes, right. This is strictly a long-term proposition. It does not measure up to the short-term goals that people would like

to impose upon it.

Mr. Berman. One of the reasons I get into it is, the administration and this subcommittee is going to have to deal with serious questions, organizational questions. They proposed a consolidation of the different radios and broadcasting mechanisms, and it was put forth as a way of saving some money. There is a feeling among some that USIA might give short shrift to the exchange, the cultural and educational exchange portion of its program, because the sexy areas is in the radios and that kind of public diplomacy, so where there is new funding, it is likely to go for that area than it is for the exchanges. Can you answer that question without getting your head cut off? What is your reaction to that?

Mr. DUNN. I concur in the sentiment that you have expressed. The view that I have, and expressed in my printed testimony, is that, to some extent, the Fulbright program has been treated as a stepchild, whether by design or by default, that has been the effect

of it.

I think that there are several considerations that your committee will want to take into account as you review this matter. Obviously, of course, the GAO study being prepared for you, the views of the new director, and on that score, we are heartened to learn that it is likely to be a president of a prominent university. I think that will do much to strengthen the role of exchanges in the Fulbright program, particularly within the Agency. And, of course, the recent report just released of the Advisory Commission on Public Diplomacy.

Now, within the structure of USIA, you can consider several options to strengthen, for example, the Fulbright program specifically, and, perhaps, exchanges generally. But, within the existing structure, you might create a deputy associate director in the Education and Cultural Affairs Bureau for the Fulbright program, so that there would be a very clear organizational focus which is now

lacking on that program in the structure of the Agency.

Mr. BERMAN. Who do you report to now? Do you report, really? I mean, you are chairman of this board that is over here getting funding from USIA for these exchange programs. Who do you view yourself as accountable to for the money that your board gets?

Mr. DUNN. First, I think we have to distinguish between our board and the Agency. Our board has a separate congressional mandate that dates back to 1946. We have had continuous operational responsibility and relationship to the program. That is, of course, for broad policy guidance and for the selection of some

5,000 grantees each year.

Within the Agency, there are four bureaus. One of those bureaus is the E Bureau, and under that E Bureau is the program for academic programs where you have a deputy assigned. The point that we would make here is that, if you work within the existing structure within the E Bureau where you have an associate director, you might create, in order to highlight the Fulbright program, a deputy associate director for the Fulbright program. Whereas now, you have an academic affairs unit without any specific name attached to it, such as Fulbright, but rather, all of these exchange programs generally come under that unit. It should be noted that the board receives no program funds and has no direct role in the budget formulation or appropriation process. It can make recommendations to the Congress, the Agency and the executive branch, but its role is limited to supervision of Fulbright Program activities and the selection of participants.

Mr. BERMAN. The other side of the coin is, if you consolidate many of these programs into a Fulbright program, then, you are in a situation where the associate director is the person in charge

of the Fulbright program.

Mr. DUNN. That is correct. You might want to have two deputy associate directors. That would be one option—one for the Fulbright and closely related programs, and another one for the remainder.

Mr. BERMAN. Tell me if I am wrong, but I do not know if adding positions is going to be our—I say it facetiously, but I think the trend is going the other way these days.

Mr. DUNN. Not necessarily, Mr. Chairman. It would not be an addition, but a restructuring of positions. The other point I wanted to make, you might consider—

Mr. BERMAN. I would be interested in your view, even if you care

to just write us about the restructuring notion. Go ahead.

Mr. Dunn. Another possibility might be to create one of the four bureaus that would be devoted, for example, to the Fulbright program. So, I think there are several options. I have simply outlined two possibilities here which could be accounted for within existing resources without creating new positions with new money.

Mr. BERMAN. Ms. Snowe.

Ms. SNOWE. Dr. Dunn, when Senator Fulbright testified before the subcommittee last July, he said that it was a serious mistake in 1978 to put the Fulbright programs under USIA rather than the State Department. If we were to start all over again, would you concur with that? Or where do you think the exchange programs

would best be administered?

Mr. DUNN. In my testimony, I suggested three criteria need to be considered, and one of those, and most important, is a close relationship with the foreign affairs community, including, of course, the foreign service. The criterion is well met either within the State Department or USIA. One of the benefits of being in USIA is that the exchange program in Fulbright, in particular, are relatively speaking a larger part of the total picture in USIA than they were, for example, in the State Department.

I would also note that some of the individuals who opposed the transfer in 1978 have since come to the conclusion that the programs have survived and done well within USIA. I think Senator Fulbright, himself, given his testimony, is among those who originally opposed, but now, probably, support the present sighting of

the program.

Ms. SNOWE. You expressed a deep concern about the fact that the Fulbright programs try to reach too many countries, 130 countries, in fact. Do you have any recommendations for this committee? Is there anything that we should be doing in that regard? Or has that

been a judgment of those who administer the program?

Mr. Dunn. Certainly, you could be of help with regard to what you state in your committee report on this matter. From a board standpoint, and the testimony that we have received in our round tables and hearings, the pressure that spreads the program, limited resources in 130 countries, of course, principally comes from overseas. Each country, of course, would have a CAO, PAO, and they like the idea, and naturally so, of having a Fulbright representation in that country. So, thus, there is a pressure to create a Fulbright presence there.

Our position is that it is a valuable commodity having a Fulbrighter in an individual country. As important as that is for us to learn about that country, still within limited resources that we have, not all countries or all regions are at all times equally important to us. We have to set appropriate priorities. Thus, to resist that pressure to spread limited resources too thinly is the guiding

criterion that the board has taken in this matter.

Ms. SNOWE. Where do you feel the pressure? I am not clear. Where exactly do you feel the pressure to have a Fulbright pro-

gram in a particular country?

Mr. DUNN. Well, let's take, for example, in some of the Third World countries where there is considerable lack of stability. Sometimes, we put Fulbrighters in this country and have had to remove them at great costs to the American taxpayer. I am very pleased that the Agency and the board, working together, have, for example, in Africa worked to establish tiers of countries so that we could place Fulbrighters in countries that are more stable, and those Fulbrighters may, actually, have an interest in another country beside where they have been placed. But, we put them in a stable country so that they can remain there over the term of their appointment. And, if time and circumstance allow, they can move, then, to the country of choice. This is a wise investment of funds. So, our principal concern here is in countries where there is a lack of stability, politically and educationally.

Ms. SNOWE. The U.S. Advisory Commission on Public Diplomacy, mentioned that the value of the Fulbright stipends need to compete with many privately funded fellowships. What do you recommend to be done in the future; have fewer stipends and increase the amounts? Or how do you plan to address that problem?

Mr. DUNN. Yes, that is precisely what we recommend. I am pleased to report that as of this morning at a meeting with USIA, the board had requested that USIA consider how stipends could be enhanced. We are now, through the work of USIA, going to provide an enhancement for individuals going to certain regions of the world, such as the Near East, South Asia and the Far East; providing, for example, supplements, educationally, \$10,000 per child, to a maximum of \$20,000 for a family, in order to make the stipend more attractive so that we will attract a higher quality of person

for the Fulbright program.

Ms. SNOWE. You know, we have tripled these exchange programs over the decade of the 1980's and have doubled them again in the last 3 years. I think it is going to be far more difficult, frankly, to increase the amount. We are in a position now to cut the amount. So, therefore, it seems to be very important to figure out ways in which we can do a better job of delivering these programs. I just thought the General Accounting Office's report on the 16 agencies it discovered administrating exchange programs. I am frankly surprised at how many exchange programs there exist among the various agencies and departments. Clearly, we are going to have to develop a way of coordinating these exchange programs, given the problems that we are faced with in the Federal budget.

Speaking of the Federal budget, Dr. York, you were talking about

debt obligations being converted for the purposes of exchange programs. Are we suggesting that that should take precedence over

debt repayment to the United States?

Mr. YORK. I wouldn't be in a position to say that it should take precedent over debt repayment. But, in situations where we, obviously, will not likely recover this debt, or a significant part of it, I think there is a great potential to use this mechanism to effectively make use of local resources through the conversion process. Dr. Ross might like toMs. Snowe. Well, the reason why I was asking this question, although it is an interesting idea, is that it could be a disincentive for countries to repay their debt to the United States if they thought it could be converted for local purposes, you know, for their countries' own programs. At what point do they make a determination that this debt is never going to be repaid, and, therefore, we can convert it for this purpose without becoming a disincentive to repaying their debt? They thought they were going to get it back in some other way.

in some other way.

Mr. YORK. Well, I think if you look at an array of developing countries, you will find all types of conditions. You will have some countries where debt repayment is almost hopeless now, and you can essentially consider it nonrepayable. There are other circumstances where it is still problematic or probable. So, I guess that would have to be a judgment as to the likelihood of repay-

ment.

But where countries are struggling, seriously struggling economically, and where some reduction of the debt burden might be an interest of both, the developing country and our own U.S. interest, certainly, this mechanism, I think, offers a significant potential.

Dr. Ross, would you like to comment?

Mr. Ross. The U.S. Congress has considered this issue. With reference to the Enterprise of the Americas' initiative, Congress has clearly said, "This is a worthwhile activity." In the case of Africa and some of the poorer countries, Congress has encouraged debt re-

lief, including debt forgiveness.

What we are suggesting is, rather than saying, "We will give you debt forgiveness," let countries pay off in local currency. And in cases where this is consistent with the U.S. policy, these local currencies could be used to pay the cost of two-way exchange programs by paying the cost in local currency. Also, for the benefit of the committee, I did get from the U.S. Treasury a comprehensive list of all the official bilateral debt by country, a different category which I will supply for the record.

Ms. SNOWE. Thank you.

Mr. BERMAN. Probably the entire world could go in an exchange

program. Mr. Faleomavaega.

Mr. Faleomavaega. Thank you, Mr. Chairman. I also want to express my appreciation for the statements that have been presented before the committee. This afternoon I have taken an interest to Dr. York's statement about the Debt-for-Development Coalition. I wonder if this may have had some relationship to the fact, and correct me if I am wrong, that our banks and our lending institutions practically lost our pants and their shirts in the monies that they have lent to Latin American countries, where we have lost millions of dollars. That may have had some initiative in terms that this may be—and there were some efforts made on a government-to-government basis in relieving debts on some of our Latin American friends. I was wondering, maybe Dr. Ross could enlighten us a little more if that has been a very successful program, similar to what you are suggesting.

Mr. Ross. Yes, clearly, this was the beginning part of the program where commercial banks, both United States and European, and to a limited extent, Japanese, agreed they would sell their

debt. Many times, the governments of developing countries could pay their debt in local currency, but they didn't have the foreign exchange. Therefore, a large number of not-for-profit groups, led by the environmental community—but also including the educational community—were able to buy the debt on the secondary market, convert that into local currency, and multiply their funding. For example, the Debt-for-Development Coalition assisted in a project for Eco Tourism in Ghana, and for a quarter of a million dollars, a group including the Smithsonian, MUCIA, Conservation International and the International Commission on Monuments and Sites ended up with a million dollars to carryout a longer-range program.

We think we have just completed purchasing \$31 million of debt in the Latin American country that will be used for child survival and maternal health, with payments spread out over 10 years. This is the beginning of it. We are getting calls probably on a weekly basis from some European governments offering to sell debt that they have because they would rather get 20 or 30 percent, or whatever the secondary market price is, and clear up the problem, and

have development occur, than just hold on to the problem.

Mr. FALEOMAVAEGA. Did your Coalition initiate this whole thing before the problems that we have had with Latin America and lending institutions? I am just curious historically. Have you been

doing this for years way before that?

Mr. Ross. We started doing this in 1988. There were some debt for nature swaps slightly earlier than that. There have been blocked currency transactions. Any time a debt problem becomes severe, people will try to find some way of getting benefit out for both the creditor and the debtor. So, we don't take any credit for it. We don't think any one person does. It is an old financial tech-

nique. But, it is a way to make the best of a bad situation.

Mr. FALEOMAVAEGA. I want to ask Dr. Appleby in her statement, and I am appreciative of the thoughts that you have expressed in there that, seemingly, I get the impression that we are not doing enough in promoting American literature and history among the countries that we have not only diplomatic relations with, but they are certainly in the exchange program. Is that literally a fact that USIA has not done enough over the years in doing this? I thought they had been doing this, as far as the literature promotion, all of

this. I am surprised if we are not doing enough of it.

Ms. APPLEBY. They have not targeted college students as a group. They certainly have had lots of exchange programs, and conferences, and publications, and broadcasting. But, the fact is that around the world, there are very few. Outside of Western Europe and Japan, there are very few colleges and universities that have an adequate library for college students who would be interested in studying American history, American political science, sociology, economics. They are a little bit better off in literature, in part because the American studies program generally grew out of English literature departments, and also, because books in literature are cheaper. Novels have a larger circulation. They are considerably less than works in the social sciences.

But no, I went to a library at the university, which I saw a ranking of it in China, it was the sixth best program in American stud-

ies, and I would call the library sort of a jumble sale library. There was Shirer's "Berlin Diary" next to Gore Vidal's "Burr." I mean, just a jumble of books. You couldn't plan any course on the basis of this. The books require hard currency for them to buy because they are American products. And it is something that has to be sustained. You have to keep up with scholarship. I am not faulting the USIA. I do not think they have made this a focus of attention, and I do not think we would have known about it if we had not reached out to American historians around the world and found out what was the most grievous need they had in teaching American history.

Mr. FALEOMAVAEGA. Probably even more fundamental, and not even at the college, especially among the Third World countries, we are talking about elementary and secondary education. They are

ones that probably do not even exist.

Ms. APPLEBY. It probably is, but yet, these young people that I am talking about will be the ones who will be teaching at the ele-

mentary level.

Mr. Faleomavaega. I wanted to ask the panel one more question, Mr. Chairman, if it is all right. I share the sentiments expressed by Congresswomen Snowe about the proliferation of foundations, and somewhat redundancy in duplications, and everybody jumping on everybody's back about doing this and that, even among the Federal agencies promoting the exchange programs, surprisingly. I wanted to ask the panel, as Dr. Fuller had presented a very extensive listing of the tremendous activities that the Asia Foundation has done, and with the current efforts made by the administration to consolidate, do you think that they should be regionalized? The Asia Foundation seems to be specializing in Asia/Pacific. Should we do the same for Africa and Latin America? Or should it be on a subject/issue need rather than on a geographical basis? Which would you prefer would be a better basis to do this consolidation effort if one would ever be taken seriously by the administration?

Mr. FULLER. I think there is a case for regional organizations. Actually, the Asia Foundation has been used as a model recently. There is a discussion underway for the establishment of a Eurasia

Foundation that would service the former Soviet Union.

What is important, it seems to me, is the kinds of flexibilities that are provided to organizations like this. There ought to be broad mandates within which these foundations work. But, govern-

ance, I think, is well advised to be private.

There is so much diversity in the regions, that I think a regional organization can keep in touch with this diversity. Further, I think there is a multiplier effect. If you build a strong institution in one country, you can often draw on that at relatively low cost to service another country. I mentioned some of the work that we had done in that field.

Now, having said that, it is important to work out cooperating mechanisms. I look at my own experience. I lived in Asia for 17 years. At the country level, there is a lot of cooperation. USIA, and the Asia Foundation, the National Endowment for Democracy, for example, meet and discuss possibilities. I am not sure to what extent that occurs in this town. But, I think there is an argument to

try to pull more of those organizations together, at the least, informally to discuss specific issues and how one is going about working

in some of these new fields that have emerged post-cold war.

Mr. FALEOMAVAEGA. I do not know if the question applies to other members of the panel, but, more specifically, maybe I will ask Mr. Dunn. Am I to understand that the Fulbright program applies strictly on a one to one basis between the United States and that given country? In other words, for every one student that we present to that country, that country has to present its student to us? I do not quite understand.

Mr. DUNN. That is the ideal. We, of course, do not achieve that ideal. The ratios, the proportions, differ from country to country and region to region. Now, there are some where more Americans are going there than the internationals are coming here and vice

versa.

Mr. FALEOMAVAEGA. So we have now programs that currently exist with 50 or 60 countries?

Mr. DUNN. We have had as high as 130 countries.

Mr. FALEOMAVAEGA. So what happened to the other 40? Have we

done anything with the other 40 countries?

Mr. DUNN. Well, the 130 is all that I can account for in the Fulbright program. I cannot speak for the others. I can say, within the 130, just for a point that has not been made here yet, in about 50

of those, we have binational commissions.

Here, we have, generally speaking, our most effective programs, a commission that is equally represented by persons from that country and from our country, and with an executive director who may be a national of that country, or who may be from the United States. Those programs also had been more likely to engage in private fundraising. They have stability long term to engage in such things as fundraising. We would like to encourage binational commissions. And, hence, in my printed testimony, I have suggested that your committee may consider endorsing and encouraging the further development of binational commissions.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman.

Mr. BERMAN. Thank you. I have a few more questions and my colleagues may as well. Then, we would like to hear from the GAO.

Let me start with Dr. Appleby. You talk about 65 universities which have American studies programs, but they are areas where they do not have adequate libraries. Are you talking here of adequate libraries in English? I mean, if they were translated works into the country—I mean—

into the country—I mean—
Ms. APPLEBY. Well, I am talking about, yes, in the English language, because American studies grows out of English instruction. So the students who major in American studies are adequate in English. They can read in English. So I am talking about scholar-

ship within the English language.

Mr. BERMAN. Is scholarship in the English language inherently that important for adequate American studies programs?

Ms. APPLEBY. Yes, yes, that is the bulk of the material. It is in

English. There would be very few things translated.

Mr. BERMAN. I guess that is my question. Do all these books exist in translated form, and now you just simply want to provide them?

Ms. APPLEBY. No. They do not exist. I mean, there are a few. Perhaps half of 1 percent of American scholarship is translated,

and then, that would generally be into French.

Mr. BERMAN. You are not talking about giving 100 percent of American scholarship to any of these libraries. I mean, you are talking about putting together a discrete, substantial, but a discreet package.

Ms. APPLEBY, Yes, exactly, A core library close to 1,000 volumes, a small portion of American scholarship, but nonetheless, an enduring, important, substantive corp in these fields. The books are assigned over and over again by American professors to their students because of their strength, their clarity, their accessibility.

Mr. BERMAN. If we were to put some resources, or redirect resources, into this kind of a program, would you think the best way to do it would be to focus on a particular region initially, assuming this would take a period of years to put together and fully implement, or to spread it out sort of uniformly?

Ms. APPLEBY. Well, there are certain advantages in the regional approach because cooperation with regional conferences would be there, and also, the interaction among the scholars, themselves, and teachers. I mean, they are scholars and teachers. However. I think that it would be better to be more flexible. You have to have a convergence of a number of factors in order for this to be a good program. There would have to be the strong faculty members. There has to be a cooperative institution.

Mr. BERMAN. Do two or three universities come to mind as places

where you would want to start this kind of program at?

Ms. APPLEBY, Yes. Eötrös Loránd in Budapest, or Kossuth in Debrecen, come to mind immediately as two universities that I know—Charles University in the Czech Republic. There are five or six that I can think of in China, though, there, again, I am not as certain about the host university assuming its responsibility. It is extremely important that they make these libraries accessible to the students and that there be a cooperating faculty that is interested in incorporating them into the curriculum. There is the University of Sri Lanka. There is Baptist College in Hong Kong. I mean, I can think of universities where there are faculty members who have been very ready to respond to our initiative, have offered papers to our annual meeting, and are members of the foreign editorial board of the Journal of American History, which is a premier learned journal.

So I think it is extremely important to find the people and the institution that are going to be responsive. And, of course, around them are going to be the larger number of students. As you know, it takes inspired teachers to build the program, even in a subject

as fascinating as American history.

Mr. BERMAN. Dr. Dunn, your response, I think, I do not remember whether it was to Ms. Snowe's question or to Faleomavaega's question regarding the blanketing approach of countries versus specializing. It sounded a little inconsistent with your earlier eloquent comments about the long-term mission of the Fulbright program. Making decisions about what countries to emphasize exchange programs in today, you may be falling victim to the thinking that you are getting pressure on within USIA and the

Federal Government. My guess is if 8 years ago you thought it made sense to make sure that there were a lot of people from Tarkministan and those places on the Fulbright program, you would be more omniscient than anybody else in this room, and here we are. Does it not the spreading of these scholarships out at least provide the benefit of betting on all horses in a race, hedging your bets, ensuring that you will have Fulbright people in every part of the world?

Mr. DUNN. Yes, you make an important point there. I would not want to dispute that. But the heart of the matter is that we do have limited resources, and that we cannot afford to spread those limited resources equally around the world, and we do have to make hard choices. In the ideal world, I definitely would want to

have those resources spread with a degree of equity.

Mr. Berman. Let's talk about those resources for 1 second. Let me make sure, just from a budget point of view, I have it straight. Mr. Faleomavaega. Will the chairman yield?

Mr. BERMAN. Yes.

Mr. Faleomavaega. I would just like to followup on that point. Please, I wanted just to say that perhaps another criticism of Fulbright is that it tends to be elitist, cliquish, and if there is a certain grouping within the Foundation, or however its operations may have been, the tendency is always to that region. I express the concern of what has happened to the other 40 countries that Fulbright, given the limited resources, I do hope that some consideration ought to be given to those 40 countries where, perhaps, the needs are even more critical than the annual quota that we send to England, or to France, or the more advanced that we usually have these exchanges. I wonder if, really, the Fulbright program might prove its effectiveness more so among those countries that

a democracy, as we have advocated.

Mr. BERMAN. Do you have any countries in mind, Mr.

have far less resources where they could really be the cushion that could give critical needs to that country's leadership, and promote

Faleomavaega?

Mr. FALEOMAVAEGA. Fiji, Tonga.

Mr. BERMAN. Very good.

Mr. FALEOMAVAEGA. On the question of resources, you, apparently, say that \$97 million is under the purview of the Fulbright board. But that is a smaller amount than the total appropriate for Fulbright academic programs. Does that mean that there are some Fulbright programs not within the purview of the Fulbright board?

Mr. DUNN. That is correct.

Mr. FALEOMAVAEGA. Like what?

Mr. DUNN. For example, university linkages have—

Mr. FALEOMAVAEGA. University linkages—is that the name of a program or is that a concept?

Mr. DUNN. Well, university affiliations where, for example, a uni-

versity in this country has a linkage with-

Mr. FALEOMAVAEGA. Every university desires to affiliate with

Florence.

Mr. DUNN. We have, within the last year or so, sought to rectify that problem so that there would be oversight by our board with regard to those linkages or affiliations.

Mr. FALEOMAVAEGA. And is there now?

Mr. DUNN. We have moved in that direction. It is still not what it should be.

Mr. FALEOMAVAEGA. And USIA dollars are being appropriate to

go to the sister university relationships directly?

Mr. DUNN. And these are good programs. I am not disputing that.

Mr. Berman. And Dr. Fuller, my final question would be to you. You outlined a series of programs. In answer to Mr. Faleomavaega's question, you talked about possibly duplicating this regional approach on the regions. Some of your programs were specifically the kinds of programs that the National Endowment for Democracy does. I thought that, with a couple of exception, by in large, NED restrained itself from doing those programs in the Asia area because of the work of the Asia Foundation. I am wondering, what is the relationship with NED? How would taking this regional approach, would that cause a duplication with some of NED's work? How would we fit all that in?

Mr. FULLER. There are some major differences between the Asia Foundation and NED. And there or major complimentarities, too.

Maybe I could comment on both.

In terms of difference, you are right historically. That is that NED has tended to concentrate more on Europe, the former Soviet Union, Latin America and Africa, partly, I think because of our presence in Asia. Second, another difference would be that we have been around for a long time, and we are able to support programs in countries that would be difficult for other organizations to do. I

can give more examples about that.

Third, a major difference is field presence, although I know that NED has a field presence in some locations. Field presence is important, I think, to do good assessments of needs. You have to get to know clients pretty well. It is more effective for project monitoring, and it, certainly, puts you in a better position to monitor funding, which is a very important item. I think that field presence also gives one access to current and future leaders in these countries. I look at our own organization. We are involved with business, government, media, and nongovernmental organizations. That is important for American interests.

We are also able to link, as I mentioned earlier in response to Congressman Faleomavaega's question, experience in one part of Asia with experience in another. That comes, again, from having a field presence. Perhaps one area for cooperation with NED would be to identify experience in Asia that could be useful in the former

Soviet Union.

There are also some differences in what we bring to the table. Because of its party affiliation, I think that NED, generally, is in a better position to help in the development of political parties. That can be a sensitive issue in some countries, particularly in countries where we would have a field presence. Further, I think NED's connection with labor may make it easier for NED, as an offshore organization, to support labor union activities. In many parts of Asia, labor and politics are very closely tied.

Where I think we have an advantage is, again, through our field presence, in designing and implementing projects that are long-

term, institution development projects, like parliaments and judicial systems, and the strengthening of capacity to run elections, and all the work that we do with nongovernmental organizations. These are long-term efforts, and require sustained attention. Just as an example, in Indonesia, with the economic reform program that is underway, the technocrats responsible for that program would tell you that they may be halfway through the reform process after 12 years. So, these are long-term transitions.

Finally, we do program in areas where NED does not have a direct interest, for example, our international relations program that I noted in my opening comment. Now, we do cooperate. Our staff in Washington meet together regularly. Organizations like NDI participate in some of the conferences that we hold. Brian Atwood, when he was at NDI, for example, participated on one of our advisory councils. So, I think there is a pretty good exchange between

the two organizations about what is going on.

Mr. Berman. Thank you. Ms. Snowe.
Ms. Snowe. Thank you, Mr. Chairman. Just a couple of questions. Dr. Appleby, you were talking about the library program, and you thought regionalizing them would be an excellent idea. Also, would you establish priorities in terms of countries? And would these library programs supplement the universities and colleges? Is that what we are to understand?

Ms. APPLEBY. They would be located in the universities and colleges so that it would be accessible to students. I think the region that comes to mind of Eastern Europe would be excellent, but I think it would be more important to determine those universities or colleges where you have a convergence of everything that is

going to make the program work.

Ms. SNOWE. I understand, and maybe Dr. Fuller can comment on this, that the Asia Foundation, for example, gets a tremendous amount of donated books. Do you not? Could you focus on donations of books rather than on major appropriations from Congress?

Is that another way of pursuing this library collection?

Ms. APPLEBY. What I think happened at the Bejing Foreign Studies University is that they got donated books. They had just a kind of a hodge-podge of books. You do not necessarily get what you need. I think these donated book programs, and I looked into many of them. I studied, I think, a whole gamut of them. I think that they could supplement this. But, I think if you are talking about having an impact on the teaching of American history and American political science, you need to deliver the books that the teachers need. You need to deliver the books that are a core to a student's undergraduate education. And donated books are much more haphazard.

Ms. SNOWE. Can you focus on certain areas? Can you respond to Dr. Appleby's comments on that? How does it work with the Asia Foundation? Can you focus on particular areas for needs and issue

areas?

Mr. FULLER. Indeed. Our field representatives are in contact with heads of institutions. And we have a long and elaborate process that enables them to identify areas of need. One of the problems is that all areas have need in many of these countries. But

we are trying to focus in areas where we have a particular program

interest or strength.

We receive overruns, books that are new, but are overruns, and publishers are provided with a tax write-off. But it is possible to focus on areas. Economics, agriculture, public health. There are areas like that we have been concentrating on in recent years.

Ms. Snowe. I think that would be a recommended way. We have had concerns with the library program and the USIA. We have not been able to fully fund it. In fact, it has been cut back. In this instance, there is a lot of bricks and mortar, but also, in terms of maintaining these libraries in various parts of the world, and we are having difficulty doing that. Now, how would this supplement

that program and the USIA summer institutes?

Ms. APPLEBY. Well, this would be very compatible with the USIA summer institutes. It would be different from the USIA libraries in that they would be targeted to college students who are fluent in English and who are taking American studies. I should say, in regard to the book programs, too, universities around the world need all kinds of books. They want books in mathematics, in chemistry, and, in fact, I think their preference is for books in technological subjects, scientific subjects. So, this is dealing with a study of American history, American Government, American economics. American sociology. It is tailored to those students who have elected to study the United States. It is giving them the kinds of books they need for that to be a rich, sustained, serious engagement, and not one that is trivialized by the absence of books, and the presence, as I said earlier, of television shows, and movies, and commercials, which are frequently used now to support the curriculum. But, I think it is important to recognize that this is a targeted group of students who have chosen to major in American history. Ms. SNOWE. Why would it be difficult to get books from publish-

ing companies that publish books on American history and so on?

Would that be difficult in terms of donations? I mean—

Ms. APPLEBY. Yes, I think it would be difficult in terms of donation. I think you could frequently get discounts from them. That would be a possibility, and that certainly is something that should be looked into. But, normally, they don't have, you know, overruns on their most in demand books, the books that are the structure of teaching in this country.

Ms. SNOWE. Yes, Dr. Dunn.

Mr. DUNN. Yes, Ms. Snowe. In the Fulbright program, in some countries, we provide a supplement for our Fulbright grantees, a book allowance, such as in China, so that we can ensure, at least to some degree, that our Fulbrighters have the resources they need

for their teaching in that country.

One other comment, I have observed, first hand, some of the work of the Asia Foundation, which is excellent in the area of books and library development. Thirdly, I strongly support libraries in as many countries as we can have them in. On the other hand, accessibility is a serious problem. A library can be a political statement in a country, and be unacceptable in that host country. So, we have to be very careful with regard to this matter. So, I like the idea, but given what I have seen, I think that, at least in some places, we need to observe great caution.

Ms. SNOWE. You mentioned instructors. According to the Act, it authorizes a range of exchanges, including trainees, and instructors, and teachers, and professors, and so on. How does that work?

What percentage goes into each category?

Mr. DUNN. We do not have rigid percentages, but, let's put it this way in historic context. Senator Fulbright's original idea was that it would be primarily a student program, graduate level student program, two-way exchange. And, on the whole, that is what it was until the late 1960's, when the proportions were changed, and by, for example, 1982, approximately 80 percent of the program was devoted to faculty and 20 percent or so to students. As a board, we have worked hard to get those proportions changed to where now there are about 50/50 students to faculty.

Within the faculty side, we have researchers and we have lecturers. One of our concerns has been that, to the extent possible, a researcher do more than just go to a country and do research, but, perhaps, teach a course or do something that would provide some public exposure of this American Fulbrighter mutual understanding to be achieved. That is, we have advocated an award that is a hybrid between the research and the lecturing side of things.

On the foreign side of the commissions, they, of course, like to have lecturers because they can showcase those lecturers, as they well should. From the American academic side, they like to have the researchers because that helps professors, especially junior faculty or untenured, and have not been promoted to higher ranks, they gain more credit through having the research Fulbright award than a lecturer Fulbright award. So, we are caught in a straight betwixt, too, on these matters.

Ms. SNOWE. Thank you.

Mr. BERMAN. Lecture or perish. That is the USIA's message. [Laughter.]

Mr. DUNN. There are many faculties in America that would like

to hear that said.

Mr. BERMAN. Mr. Faleomavaega. Mr. FALEOMAVAEGA. No, thank you.

Mr. BERMAN. I had a very important question that I wanted to ask. It slipped my mind. [Laughter.]

Mr. FALEOMAVAEGA. That is how important it was.

Mr. BERMAN. That is not an indication of how important it was. Mr. FALEOMAVAEGA. I just have one question to ask Dr. Appleby, if I may, just one simple question.

Mr. BERMAN. Yes.

Mr. FALEOMAVAEGA. If the whole advent of your proposal, Dr. Appleby, would also include libraries for the elementary and secondary levels for these countries?

Dr. APPLEBY. You say does it?

Mr. FALEOMAVAEGA. I sense that you are advocating only the col-

lege level, but I do not hear if you are-

Ms. APPLEBY. I guess I am emphasizing that because it is such a critical link. These people are the ones who are going to be studying America, and they do not have the material to do it seriously. They are also going to be the ones who are going to be teaching elementary and high school students. You know, a high proportion of these graduates go into teaching positions. So, in the best of all

possible worlds, I would like to send books to all levels. But I see this is as a critical link. This is a very strategically placed group, these educated men and women of the next generation.

Ms. SNOWE. I just wanted to ask Dr. York one question. Have

you made this proposal to the administration?

Mr. DUNN. For-

Mr. BERMAN. And to whom?

Mr. DUNN. I do not believe that a formal proposal has been made.

Mr. Ross. With reference to USAID funding, the administration has supported it, and Congress has supported it through the appropriation process to AID. So, if the University of Florida or UCLA got a grant from USAID, they could use that money to buy debt into a debt conversion.

Mr. BERMAN. That is an existing program.

Mr. Ross. That is right. If it gets a similar grant from USIA, it does not have the ability to use this mechanism to leverage its resources. What we are asking for is that USIA have similar authority to what USAID grantees have, and also, suggesting the possibility of using bilateral debt.

Mr. YORK. If we were to go forward with a bilateral debt proposal, that proposal would have to be considered by appropriate committees of Congress, obviously. But, from your standpoint, we are specifically asking that you extend to USIA the same privilege

that has been extended to USAID.

Mr. Berman. Definitely could have exchanged every Egyptian college student in Egypt for the \$7½ million of debt forgiveness we gave them. My question, now that I remember it, was not that great, but——[Laughter.]

Mr. BERMAN [continuing]. To what extent—I am just curious, I guess, this is mostly to Professor Dunn, to what extent are the USIA foreign service officers an essential part of running effective

exchange programs, and particularly, Fulbright programs?

Mr. DUNN. I think they are a crucial part, and that is why I acknowledged the foreign service in my written testimony. The cultural affairs officers particularly play a key role.

Mr. BERMAN. In what? In recruiting, selecting—

Mr. DUNN. Well, in helping to define the programs in the respective programs. They, of course, play a greater role in the non-binational commission countries than they do in the commission countries. Typically, in a commission country, the CAO will be a member of the commission, in effect, and have one vote in that commission.

Mr. BERMAN. But then, you have indigenous scholars and others

involved directly?

Mr. DUNN. That is correct. May I just offer a quote from Aristotle

with regard to-

Mr. Berman. He was not thinking of the Fulbright scholarship. Mr. Dunn. Right, but because there were two or three questions asked here about whether we should spread our resources to 130 plus countries, or whether we should set priorities, you know, Aristotle once said that "Virtue is the golden mean between two extremes." I think that there is some wisdom in that dictum with regard to that. That would be my position. I do not want to advocate

we have a totally nonpriority established program, or we spread our resources too thinly, nor do we have an elitist program that is concentrated largely in countries of choice by American academics.

Mr. BERMAN. How does Aristotle sound-

Mr. FALEOMAVAEGA. I just think that, with due respect to Aristotle, I just think that those 40 countries that have no means where opportunities could have been granted, that I think that is not an extreme. I think it is a critical need. And that the needs, the promotion, the enhancement of education opportunities ought to be extended also to those 40 countries.

Mr. BERMAN. So what has been characterized as an extreme posi-

tion is, in reality, the mean? [Laughter.]

Mr. BERMAN. All right. Thank you very much, panel. We appreciate you. Now, we look forward to hearing from the GAO. And, if Joseph Kelley, who is the Director-In-Charge for International Affairs Issues, the National Security and International Affairs Division of the General Accounting Office. Mr. Kelley, I thank you for coming. We look forward to hearing you describe the GAO's work in this area.

Mr. KELLEY. Thank you, Mr. Chairman. Before I start, I would like to introduce Ms. Laverne Tharpes on my right here. She was the evaluator in charge of this job, and she has all the nitty gritty

details we have here.

STATEMENT OF JOSEPH E. KELLEY, DIRECTOR-IN-CHARGE, INTERNATIONAL AFFAIRS ISSUES, NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION, GENERAL AC-COUNTING OFFICE

Mr. KELLEY. Sir, I would like to submit my statement for the record, and I will try to summarize it, and then, we can get into questions because I know it is getting a little late.

Mr. BERMAN. You wanted to summarize the statement? Mr. KELLEY. I will submit the full statement for the record. I will just summarize-I will go through the first few pages which really

has a summary in it. Then, we can get into more details.

Let me just say that we are pleased to be here today to discuss our ongoing review of U.S. Government-funded international educational, cultural, and training exchange programs. The subcommittee had expressed concern about an apparent proliferation of such exchange and training programs and had requested that we develop an inventory of these programs; provide information on potentially duplicative, overlapping, or fragmented programs; assess the extent of program coordination and oversight; and identify legal requirements which executive branch officials believe unduly inhibit their flexibility in responding to rapidly changing require-

Mr. Chairman, I would like to explain a little bit about what we have done here. To develop the inventory of programs, we used the U.S. Information Agency's fiscal year 1990 report on federally funded international exchange and training activities as a baseline, but we updated the information to include programs established since 1990. We defined an exchange as the movement of persons between countries for educational, training, or cultural purposes. We excluded programs that did not involve the movement of persons. As

a general rule, we attempted to include the programs we believe mainly benefit the participants. I would like to stress that the information presented today represents our preliminary observations based, to a large extent, on testimonial evidence which we have not attempted to corroborate. With that caveat, let me summarize the

results of the work.

We included 16 agencies in our inventory based on our definition of the exchange program. The 16 agencies reported spending about \$660 million for about 80 exchange or training programs for about 41,000 people in fiscal year 1992. I would like to point out that in the appendix attached which has all the details, we do indicate that there are some of these programs that had some private funding associated with them. In doing this work, we were not able to get the agencies to break that out, but I feel that it is not that extensive. I wanted to qualify that for you to make sure you understand that.

AID and USIA have the largest nonmilitary international training and exchange programs. AID, which specializes in technical training programs, trained about 14,000 participants in fiscal year 1992 at a cost of about \$330 million. USIA, which specializes in academic programs, had about 15,000 participants in fiscal year

1992 at a cost of about \$198 million.

Mr. Berman. Would you just stop there? That seems counter-intuitive to this. Why would an AID, on-site, I assume on-site—oh, you are excluding all of the on-site. They have to come here.

Mr. Kelley. These are people coming back. This is true of what

we see in exchange programs.

Mr. BERMAN. AID is bringing back 15,000 people a year for technical training in the United States?

Mr. KELLEY. Right.

Mr. BERMAN. Forget everything that I said. I have other ques-

tions. [Laughter.]

Mr. Kelley. Other nondefense agencies, such as the Department of Education, the Department of Health and Human Services, and the National Endowment for the Humanities, conduct a variety of

academic, scientific and professional exchanges.

The Department of Defense, DOD, conducts a variety of international exchange and training programs, but the largest is the International Military Education and Training Program. Under this program, foreign military and selected civilian personnel are trained in military skills and other defense-related subjects such as defense resource management and human rights education. In fiscal year 1992, about 6,000 international students participated in this program at a cost of about \$44.5 million.

Appendix I shows an inventory of the 16 agencies that we included in exchange programs, including a description of the programs and their funding levels. We plan to provide the committee a more detailed analysis of this inventory in our report in the near

future.

Now, let me summarize some of the other information, that we have in the testimony. Recent legislation, including the Support for Eastern European Democracy, the SEED Act, the Freedom Support Act, and the National Security Education Act, has resulted in several new programs. This has increased the potential for program

duplication, overlap, and fragmentation. Some of the officials involved in the management of these programs acknowledge there is some duplication and overlap, but do not believe this is a serious

problem.

Although USIA has the primary responsibility to provide policy guidance for U.S. Government-funded international informational and exchange activities, its coordination and oversight efforts have been minimal. Moreover, most agencies with exchange programs have not conducted systematic, comprehensive evaluations of the effectiveness of these programs. The officials we met with generally described the laws authorizing the exchange programs as flexible enough to allow them to carryout their responsibilities with few restrictions. However, some officials complained that certain provisions of the SEED legislation caused administrative problems. A few AID and USIA officials complained that congressional earmarks sometimes lead to operational inefficiencies and decreased management flexibility.

Mr. BERMAN. Name names. Mr. KELLEY. Pardon me?

Mr. BERMAN. Name names. No, I am just kidding. [Laughter.]

Mr. Kelley. Mr. Chairman, that concludes my summary. We go on to talk in a little more detail about the potential for duplication, and coordination, and evaluation issues that I mentioned. I will be happy to answer any questions for you, sir.

The prepared statement of Mr. Kelley may be found in the ap-

pendix.]

Mr. BERMAN. Well, you are at the point where you have not cor-

roborated these assertions.

Mr. KELLEY. Yes, sir. What we agreed with the staff when we started this job was that, first, let's try to find out how many agencies have these programs out there. And that was a tremendous task. My staff went to each agency, and tried to determine what they had. So, we felt that, rather than try to do an assessment and an evaluation of these programs, we tried to get information on the participants, what it cost, and so forth. And then, once we complete that task, we are going to issue a report on the results of that effort.

We also included information that we obtained in interviews with Agency officials and, with the contractors who actually manage these programs. In addition we made a visit to Poland and to Mexico to talk to the U.S. Embassy people, that have responsibility for the programs to see how they felt the programs worked in these

countries.

However, we just did not have the time to meet your time line for this session. We were unable to really do an evaluation and say, "Well, how effective are these programs? How do they figure the need for these programs?" There are some assertions that we obtained. At the risk of duplication, there are some blurring responsibilities with respect to the East European programs coming out of the SEED programs and some of the other Acts I mentioned, as well as in the former Soviet Union's programs. We talked with Agency people about their reaction. In fact, some of the people indicated that they see some potential problems there. We talked to contractors who manage these programs, and they seem to be more

specific about their concerns about potential overlapping or duplication.

However, we really did not examine these programs to try to verify those statements because we needed to just get you the inventory. So, these represent some views of people that are running the program. I would say, with respect to the evaluation, it is pretty clear that there needs to be some evaluation of these programs. Again, we did not go through and get the worst case scenarios or the smoking gun, so to speak. But, it is pretty obvious, I think, that that needs to be done.

Mr. BERMAN. I am trying to think, based on what you have produced so far, what actions we might take. I mean, in some cases, you have different missions. Fulbright sounds like they are focused on graduate students and professors in academic exchanges. Bill Bradley was promoting high school exchanges. There are probably undergraduate college exchanges. So, that is also administered by the USIA, but not by the Fulbright Scholarship Board, presumably. In and of itself, that is not necessarily duplication, although there might be a way of streamlining the efficiency of the program.

might be a way of streamlining the efficiency of the program.

Mr. KELLEY. Yes, I think that some of the information I have in the text is kind of interesting in the context of, "Why do you think these things are duplicated?" Well, because, say, Fulbright is sending professors and graduate students overseas and bringing some here, as well as National Endowment for the Humanities, which we cover in here. They also send graduate types. But, when you ask them, "What is the distinction here? Is there room for overlap and duplication?," they seem to fall back on a description of the purposes of the program.

On the one hand, the Fulbright program, people seem to say, "Well, it is really out there to create good relations with their colleagues and great collegiality and so forth." Whereas, in the other programs, it is the advancement of the education in humanities. So when you try to compare those things, it gets a little difficult.

I think the important point, and, again, I cannot document this, but what bothers me a little bit is that we are expanding these programs. AID has a big stake—they have always had a big stake, as you can see, and USIA as well, and there are several other reasons for these fairly sizable programs. Well, you may have a tough time proving overlap and duplication. The question is the cost of administering these programs. Do you have a staff in several agencies' managing the exchange programs? Or do you have several contractors out there? You have administrative costs that maybe could be effectively cut if it is put in one or two places or three places. I have not studied that, but there seems to me a lot of different agencies involved, and you have an administrative structure in each agency running these programs.

Mr. Berman. Let's just take AID and USIA for a second. As part of an agricultural development assistance program, I guess I could see a value in a particular kind of irrigation engineer in a recipient country coming to take an engineering course of some kind in the United States, very specialized, focused on what he would be doing in that country in running that program. Whereas USIA would not

be focused on that kind of specialization, I think.

Mr. Kelley. That is my understanding, sir.

Mr. BERMAN. So, in and of itself, we cannot say the fact that AID has separate training programs where they are bringing people to this country to study in academic institutions is duplicative of the USIA programs?

Mr. KELLEY. Right. Mr. BERMAN. Right.

Mr. Kelley. Let me just say something about my statement. I think the blurring of programs is bothering some of the people in the agencies themselves because they have mentioned that to us. For example when you talk about distinctions, especially in these European programs that have been set up, both AID and USIA are now in the agriculture business. The question, "Why is USIA in this business when AID has been in it for a long time?" The point that comes back is, "Well, USIA is really in more of an academic focus, whereas AID is, in their efforts, trying to train farmers to farm." Sometimes, it is kind of hard to buy off on some of that if you could look at it a little more closely. But, those are some of the arguments that we are getting. They are not arguments. They are the agency staffs' positions when you question if there is really an overlap or duplication.

Mr. BERMAN. Ms. Snowe.

Ms. Snowe. Well, is there any way, Mr. Kelley, of developing legislative authority to streamline this process and to have one agency that is the coordinating agency for all these exchange programs? I mean, USIA sort of has the authority for coordination, but clearly, does not have enough reinforcement in the law in the way it is written now. Obviously, USIA has not been able to coordinate with other agencies because they refuse to meet on that basis.

Mr. KELLEY. Yes. It seems that, in the law, they do have the responsibility, but, traditionally, it appears that they have not been able to really handle that responsibility because the other agencies have large programs, a lot of money, and so forth. I do not think that I am prepared to comment at this time on whether a streamlined process would be better to perhaps fix some of the problems that appear to exist in the program. Again, I am a little hesitant to say, "Yes, do it this way or do it that way."

Ms. Snowe. Well, it is something, obviously, we should pursue.

Mr. BERMAN. What timeframe? What timeframe do you think

you could have a series of recommendations that came from a little bit of your own, you know, going beyond the assertions and thinking through the kind of changes that would be needed to eliminate

the duplication to enhance the coordination?

Mr. KELLEY. I suspect it would take us several months. I would think, perhaps, the end of this year, maybe more realistically, the first of next year. But, I do not think I will be able to meet this legislative session you have here.

Mr. BERMAN. So we should not score this? [Laughter.]

Mr. BERMAN. Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Mr. Chairman, I think \$660 million is not peanuts in the American public's view of the taxpayers' money that we are considering here. So, I think the gentle lady from Maine is offering a very substantive suggestion here that we do develop some kind of coordination due to the fact that there is definitely some overlapping. And this is just among the 16 agencies. I mean, you have not even, you have only considered three programs even under USIA, if I read this correctly.

Mr. KELLEY. No, there are more.

Mr. FALEOMAVAEGA. Are there more programs that this?

Mr. KELLEY. In the appendix, you will see, under USIA, there

are several more.

Mr. FALEOMAVAEGA. It is almost like I am reading a college fellowship scholarship program here that anyone that could make an application. I want to share with you Professor Dunn's statement concerning how Germany and Japan implement their exchange program. I mean, there is definitely no ambiguity. They bring students to Germany or Japan definitely for the purpose of seeing that that student or that graduate student becomes a professional that would enhance Germany's own economic competitiveness and that product of that, and to me, why cannot we do the same? I mean, I think it is nice that we are going to pat each other's in the back, and say, "Nice American, come over here to study for 1 year and

teach English, and go back, and everybody is happy."

But I just wanted that, that what Professor Dunn has suggested here is substantive. This is how Germany implements its exchange and educational programs with absolute results. If we get exchange students going over there, they want to make sure that that student is going to think Germany. And, I think, Mr. Chairman, I think we are of the same opinion. If we are to promote America's competitiveness, there has got to be this thinking as far as our competitive edge. I just met a friend from China. He wanted to purchase 900 Chevrolets, 1992 Chevrolets. Do you know he had to go to Germany to purchase those Chevrolets? They could not do it out of our own country that makes these cars? You are talking about a \$44 million sale that went to Germany. Now, you tell me how that—I mean, it is just unbelievable. Maybe our business schools are doing something screwy.

Mr. BERMAN. Bought 900 Chevrolets in Germany?

Mr. FALEOMAVAEGA. That is right. Because it costs \$14,000—Mr. BERMAN. There are not 900 Germans driving Chevrolets.

Mr. FALEOMAVAEGA. They got a deal from Germany of \$14,000 per Chevrolet, and here, we are saying that we cannot sell it for less than \$20,000. Now, how does that—I mean, it is just unbelievable.

I can tell you another one. Our friend from China wants to purchase 2 million pages out of Motorola. He could not do it. They said that they are not interested, or they have to go through some long listing of something that has to be done, finding out that they had to purchase it from another vendor.

Mr. BERMAN. Two million?

Mr. FALEOMAVAEGA. Two million pagers. So, I think, Mr. Chairman, that we ought to develop some kind of legislation and better coordinate it for properly using \$660 million to do the entire exchange educational program. We are missing something here. And, certainly, I think our country does not think export minded. It seems like we are so satisfied with our own economics that we do not need to export while our competitors have been doing this for the last 40 years. We need to get into that frame of mind.

But, anyway, I just wanted to ask Mr. Kelley, concerning that, do you think that perhaps we ought not make any more ambiguities about our exchange and educational program, that we should have some goal rather than just some blurry idea that is not just to exchange social meetings? Should we be more substantive in our economic welfare? I——

Mr. Kelley. I guess I would be hard pressed to give you an educated answer. In just looking over the 16 programs, you can see there is a tremendous diversity of objectives and types of programs. I am not going to be able to sit here and say they should not have

that diversity.

Mr. FALEOMAVAEGA. I realize this is not like selling tanks and bullets, but we get into the intangibles. But, is there some way that we can measure providing for \$2.3 million? I suppose the results that we produce scholars and intellectuals of the sort. But, how can we make it substantive and say that when we invest \$660 million what are we getting in return?

Mr. BERMAN. Long-term benefits.

Mr. FALEOMAVAEGA. Thank you. [Laughter.] Mr. BERMAN. I do not say that totally facetiously.

Mr. FALEOMAVAEGA. No, no, I know.

Mr. Kelley. There are benefits, as you heard the prior panel describe the kind of things that they see in these kind of programs. You can talk about the military programs that would bring people to the United States and hopefully, they are going to behave when they go back, and then, we have some productive relationship with them later in their careers. But, it bothers me that there is no real attempt in most exchange programs to measure how well they are doing. The agencies get feedback when they finish their courses, which I am sure most of that is going to be fairly positive. But, the real issue is, what happens when that engineer goes back to his home country? Is he going to work in an agricultural engineering project or is he flipping hamburgers someplace. I think no one has a good feel for those kinds of things.

Mr. BERMAN. Well, he may be flipping hamburgers because there

is no agricultural project.

Mr. Kelley. That is true, and, I guess, that gets back to the requirements. How are the requirements really determined? You have all these different agencies.

Mr. BERMAN. Well, you are talking here about a more specialized

kind of training. I mean-

Mr. KELLEY. Well, I am talking about—yes, I think a lot of the training that is given is for specialized purposes.

Mr. BERMAN. This type of cost benefit analysis is very foreign to

the academic world.

Mr. KELLEY. I understand that, and it is very hard to really pin it down, too. I will be the first one to say that. But, there ought to be some answers to the question of what is the United States really getting for these exchange programs.

Mr. BERMAN. Three Japanese cabinet ministers went to school in

the United States.

Mr. KELLEY, I agree.

Ms. SNOWE. Mr. Chairman, I was just reviewing some of these programs, though, and there is one from the Department of Com-

merce, "Special American Business Internship Training Program." This program is listed as costing \$2 million, and eight participants.

Mr. Berman. What page is that on?

Ms. SNOWE. That is on page 11.

Mr. KELLEY. There are some eye openers back here. This is a 5year program. That \$2 million is over the 5-year period.

Ms. SNOWE. But for only eight participants? Mr. KELLEY. Well, that is for this year.

Ms. Snowe. Oh, just this year. I see. Mr. KELLEY. I had the same question myself when I saw it.

Ms. SNOWE. You did? OK. And then, the National Security Edu-

cation Program, we have \$35 million, no participants.

Mr. KELLEY. That program is just getting started now. DOD received its first year's funding, but the program has not really gotten underway.

Ms. Snowe. They do not require \$35 million to start up.

Mr. KELLEY. No, no, that would be to use for the program.
Ms. SNOWE. OK. Well, the question I do have relates to funding. I was concerned with the statement on page eight where you quoted an AID official saying that "An earmark specified the contract organization so it prevented the Agency from using the competitive bidding process to select the most cost-effective contractor." That is quoting from your statement.

Mr. KELLEY. Right. That specifically was a Georgetown Univer-

sity operated program.

Ms. SNOWE. So that was earmarked in Congress?

Mr. KELLEY. Yes, it was earmarked in the legislation. So, their view is, that once it happened—

Mr. BERMAN. The legislation or in the appropriations.

Mr. KELLEY. I am not sure. I would have to check.
Ms. Snowe. Well, that is something that we also have to look at because that is a serious problem there. It probably was in the appropriations.

Mr. Kelley. I will check it out and we will get the information

for the record.

[The information may be found in the appendix.]

Ms. SNOWE. This increased number of earmarks is also costly from a number of perspectives, but not the least of which, if they are identifying which organization is going to deliver it, you cannot issue it to a competitive bidding. That is something we will also have to look at.

Mr. BERMAN. In all fairness, I mean-

Ms. SNOWE, I know.

Mr. BERMAN. We are sort of responsible, in a weird way, for some of this.

Ms. SNOWE. But this is after the fact, is it not, the appropriations?

Mr. BERMAN. Well, I mean, even in our authorization for last year, do you remember how many fine and distinguished members of the other body had programs? I remember how you did not like

Mr. FALEOMAVAEGA. Are we not putting more teeth in the authorization process this year now with the change of rules.

Ms. SNOWE. The pressure is on.

Mr. BERMAN. Right, never again, maybe. [Laughter.]

Ms. Snowe. Well, thank you, Mr. Kelley. We appreciate your work.

Mr. KELLEY. Thank you.

Mr. BERMAN. All right. Thank you very much. I do appreciate this. Are you planning to continue this process?

Mr. KELLEY. Well, we have to get back with you staff, and get

your reactions.

Mr. BERMAN. Yes.

Mr. KELLEY. We had had some discussions. That would be our plan, but I think we need to get the report to you. It will be out shortly, and then, we can come back up and— MR. Berman. This is a rather stunning list.

Mr. KELLEY. I think it is, too. You will probably have some more questions about some of those numbers in there. So, you can have

Amit give me a call and we can help you out with them.

Mr. BERMAN. Well, thank you very much. The hearing is adjourned.

Mr. KELLEY. Thank you, sir.

[Whereupon, at 4:20 p.m., the subcommittee was adjourned.]



# APPENDIX

"The Future of International Exchanges" International Operations Subcommittee Committee on Foreign Affairs House of Representatives March 23, 1993

Testimony of
\*Charles W. Dunn, Chairman
J. William Fulbright Foreign Scholarship Board

<sup>\*</sup> Charles W. Dunn, Professor of Political Science at Clemson University, has authored or edited several books, including American Democracy in Comparative Perspective (Harper Collins, 1994), American Conservatism (Madison Books, 1991), Religion in American Politics (Congressional Quarterly Press, 1989), Constitutional Democracy in America (Scott Foresman, 1987), American Political Theology (Praeger, 1984), American Democracy Debated (Scott Foresman, 1978, 1982), and The Future of the American Presidency (General Learning Press, 1975). He is a member of the editorial board of Presidential Studies Quarterly.

#### Mr. Chairman:

You aptly opened these hearings by stating that "exchanges are now a significant enhancement of the intellectual resources which strengthen our economic competitiveness, our capacity to conduct effective diplomacy and negotiations, and the capacity of citizens to participate effectively in the making of foreign policy." (emphasis supplied) These hearings may not capture headlines, but they do earn respect. Your thorough and timely approach to this not-so-popular subject demonstrates that Congress, contrary to popular perception, is worthy of our trust. You and your fellow members of the International Operations Subcommittee showcase Congress at its best. Many Americans may be unaware of the significance of exchanges, but in the great tradition of representative government, you are appropriately acting on their behalf.

Speaking in a personal capacity today based upon my experience as a member and current Chairman of the United States J. William Fulbright Foreign Scholarship Board (Fulbright Board), I very much appreciate the opportunity to address several issues related to the future of educational and cultural exchanges. Specifically, I would like to address three questions:

1 What is America's best, but least appreciated, export? (2) What U.S. government program yields the highest dividend per dollar invested? (3) What should be the future of the Fulbright Program?

Before addressing these questions, I would like to note that the Fulbright Board's congressional mandate under the Mutual Educational and Cultural Exchange Act of 1961, and earlier legislation dating to the Fulbright Act of 1946, is (1) policy oversight for the conduct of the worldwide Fulbright exchange program and (2) selection responsibility for some 5,000 graduate students, teachers, university faculty and professionals annually. These Acts of Congress have made the Fulbright Board the only agency to have continuous operational responsibility for the Fulbright Program since 1948. We work directly with the United States Information Agency (USIA), United States Department of Education (USED), Council for the International Exchange of Scholars (CIES), Institute of International Education (IIE), and with many others, such as the Fulbright binational commissions in some 50 countries.

## (1) What Is America's Best, But Least Appreciated, Export?

One European Fulbright administrator recently said higher education is now America's best export. Ironically, higher education is not thought of as an export and, therefore, lacks the appreciation normally given to a product with its impact on America's economic and political well being. It is arguably our least appreciated and most underrated export.

Of the approximately 800,000 international students and scholars in the seven principal host countries, some 400,000 or one-half of them are in the United States with the remainder scattered imong Australia, Britain, Canada, France, Germany, and Japan. American higher education

ranks first in the world. The other six countries have ambitious plans and programs to compete with the United States and also to strengthen their economic standing among the world's economies. For example:

Japan plans to boost the number of international students and scholars it hosts to 100,000 by the year 2,000;

Germany carefully uses its scholarly exchange programs to strengthen the sale of German products around the world by bringing students and scholars to Germany and sending them home with a keen appreciation of German product superiority; and

Britain, openly acknowledging the very substantial impact of international students and scholars on its economy, actively recruits students worldwide.

Testifying before the Fulbright Board, Librarian of Congress James H. Billington put it this way: "what can be a more faithful projection of American values than giving the brightest individuals the opportunity to find their own way via education?" In this sense, the export of American higher education yields incalculable dividends by training the mind, in effect laying the foundation for a pyramid of economic and political progress. As we will see through the lens of the Fulbright Program, American higher education produces many byproducts, such as (1) economic competitiveness and development, (2) cultural awareness and understanding, and (3) political development and stability.

### (2) What U.S. Government Program Yields The Highest Dividend Per Dollar Invested?

If this question could be conclusively answered, the Fulbright Program would compete for the honor. Consider that for only \$1.45 billion invested since 1946 these dividends have accrued:

- \* The Secretary General of the United Nations, Boutros-Boutros Ghali, heads a long list of Fulbright alumni at the United Nations.
- An estimated \$60 million in cash and in kind is now given to the Fulbright Program each
  year by other governments, as well as by American and foreign universities, corporations,
  foundations and alumni.

While the Fulbright Program has one primary product, mutual understanding among the peoples of the world, as stipulated by Act of Congress, it produces many economic and political byproducts. The Fulbright Program occupies a strategic position in the giant magnetic force of American higher education, which attracts students and scholars from around the world as illustrated in Mexico, Japan, and China.

Mexico. Dozens of former and current cabinet ministers around the world are Fulbrighters, including Pedro Aspe, Mexico's Finance Minister, who surrounded himself with fellow Fulbrighters to advise the Mexican government on economic reform and trade-related matters.

Japan. Over the last seven years, the list of prominent former Fulbrighters has included seven Diet members, the Chief Justice of the Supreme Court and three other justices, the presidents of 27 universities, over 100 senior executives of major business corporations and more than 30 ambassadors to other nations.

China. Desiring to participate more constructively in world affairs and to strengthen its own economy, China has signaled a keen interest in strengthening the Fulbright Program, recognizing that it is the most prestigious symbol of American higher education.

America's current Ambassador to Japan, Michael Armacost, himself a Fulbright alumnus to Germany, recently referred to the Fulbright Program as "the most successful, farsighted element of America's – or perhaps any nation's – international cultural policy." Oft imitated, but never duplicated, the Fulbright Program has created an enduring legacy: (1) building American knowledge of foreign peoples and languages, which strengthens this country's capacity to participate effectively in the emerging international community; (2) fostering private institutional relationships between American and foreign universities, which leads to joint research, further exchange and creates a ripple effect among students who may never leave their countries; (3) helping to expand the influence of the American model of higher education and of American research methodologies, which are admired worldwide, even as American technological provess is viewed as waning; and (4) creating 50 active binational Fulbright commissions, which join us in affirming the importance of peaceful relations, the enduring effect of education, and mutual understanding.

Leonard Sussman's latest book, The Culture of Freedom: The Small World of Fulbright Scholars 1992) documents the significance of the international network of exchange program alumni, which Danish Minister of Education Bertel Haarder describes as "the modern world's peacekeeping forces." A recent Fulbrighter from the Caribbean nation of St. Lucia details a personal perspective of this network:

The vision of peaceful and cooperative efforts between individuals as well as between nations will be the challenge of the 21st century and beyond. In my simple way, through the opportunity to study [under Fulbright auspices], I have been equipped to play my part.

Senator Fulbright himself recently emphasized the importance of a network of sensitive and sensible international leaders:

Conflicts between nations result from deliberate decisions made by the leaders of nations, and those decisions are influenced and determined by the experience and judgment of the leaders and their advisors. Therefore, our security and the peace of the world are dependent upon the character and intellect of the leaders.

America's national interest and the interests of a peaceful, interconnected world intersect in the Fulbright international network. The case is compelling: Among U.S. government programs, the Fulbright Program may well yield the highest dividend per dollar invested.

## (3) What Should Be The Future Of The Fulbright Program?

"The Future of the Fulbright Program," the subject of over a year of round table discussions before The Fulbright Board in 1990-91, attracted testimony from such noted authorities as James H. Billington, Librarian of Congress, and Stanley Katz, President of the American Council of Learned Societies (ACLS), both Fulbright alumni. Published from this extensive investigation and the Fulbright Board's White Paper on "The Future of the Fulbright Program."

Too many demands, too few resources, was the principal conclusion of the White Paper. To continue this crucial, but long-term, investment into the 21st century, the Fulbright Program needs two things: (1) adequate funding and (2) refined focus. The conclusions which follow are drawn from the White Paper.

Funding. In constant 1949-50 dollars, the Program's annual budget has only little more than doubled from 6.8 to 13.5 million dollars while the number of countries served has expanded over ten-fold from ten to 130.

The cost of thus extending the Fulbright Program has been the diminution of the award itself, to the ultimate detriment of the entire enterprise. We have been able to ride on the Program's reputation, particularly given the increased financial support afforded the Program by participating nations. Irreparable damage, however, will result if this problem is not soon corrected.

Refined Focus. The flagship of international scholarly exchange is a victim of its own success. New initiatives and targeted programs now compete with the Fulbright Program for limited resources. Thus, product differentiation in a crowded market is an urgent need. ACLS President Stanley Katz says "a redefinition of purpose for the Fulbright Program" is in order.

The roots of the Fulbright Program predate the Cold War. Its reputation, the activities and prominence of many of its earlier participants, and some suggest, even the improved international atmosphere in the world today argue for the long-term value of the investment in international networking that exchanges build so well. But there are certain basic principles that must be reaffirmed and current practices that must be re-evaluated as we do so.

First, the Program is a long-term proposition. This is its legislative intent and its vision, imperatives to demonstrate its effectiveness or hone its results notwithstanding. Stringent mechanisms of accountability will diminish the Program or turn it to goals too narrowly defined or too short-term.

Second, the Program must stand for quality. Our efforts should go into selecting the best minds and enabling them to do the work that interests them. This is consistent with the Program's history and reputation, and also makes good sense in distinguishing Fulbright from the competition, which increasingly favors targeted or institutional awards. More than any other single action that could be taken under current budget constraints, allowing the balance to go to fewer but more substantial grants will underscore the Program's prestige.

Third, geographic or country distribution must not be viewed as an end in itself. We must not try to cover every country every year, nor pretend that each country of the world is equally of interest to Americans.

Fourth, the Program must embody scholarship, not training or work in applied or developmental fields however valuable these efforts may be. The Program is too small to serve adequately any serious utilitarian interests, particularly when compared with other governmental efforts like those of the United States Agency for International Development (USAID).

Fifth, the administrative apparatus and the types of awards offered must be simplified. As some have commented, we have come to managing a process, not a program. Reducing or eliminating the imperatives discussed above will go a long way toward making the Program comprehensible again

In the two years since the White Paper was issued, the Fulbright Board in concert with USIA, the

Fulbright binational commissions abroad, and the private agencies which assist in program administration have taken steps to carry out its principal recommendations.

- The decline in the number of grants for American students has been reversed, being increased from 500 in 1990 to 800 in 1993.
- Congressional appropriations under the purview of the Fulbright Board have risen from \$91
  million in 1990 to over \$97 million in 1993.
- Guideline principles have been formulated and issued by the Fulbright Board governing program planning and grantee selection, definition of a Fulbright Award, and cost sharing with foreign governments and the private sector. These reflect the principal conclusions of the White Paper as outlined above.
- Fulbright Program announcements and informational material have been revised for greater Program visibility and more effective recruitment of candidates for awards.
- A study is now underway to consider improvements in Fulbright stipends to make them more competitive.
- \* To enhance the international identity of the Fulbright Program, the Fulbright Board unanimously approved the first logo in the Program's nearly 50 years at its last quarterly Board meeting in March.

Looking to the future, as this committee is now doing, there are several ideas which I believe would strengthen our educational and cultural exchange activities.

- 1. Consolidate all past and future Congressionally-mandated academic exchange activities under the J. William Fulbright Foreign Scholarship Board. There has been a proliferation of educational exchange programs created by the Congress in the past few years which would benefit from a primary identity with the flagship exchange program known throughout the world. Instead, funds have been diverted from the Fulbright Program itself to other elements of USIA and to initiatives both of USIA and the Congress. Just as the Hubert H. Humphrey North-South Fellowship Program has operated highly effectively over the past 15 years under the broad policy guidelines of the Fulbright Board, so can the Edmund Muskie Scholarship Program, both of which are funded under the educational exchange provisions of the Mutual Educational and Cultural Exchange Act of 1961 (Fulbright-Hayes Act). I believe this is equally true for educational exchanges conducted under the Freedom Support Act and other exchanges authorized in recent years by the Congress.
- 2. Enact a Congressional charter for the J. William Fulbright Foreign Scholarship Board. In recognition of the enhanced position of the Fulbright Board, this Charter would include the Fulbright Board's by-laws, provisions setting forth its statutory responsibilities and a provision for Senate confirmation of its twelve Presidential appointees.
- 3. Revamp USIA's basic organizational structure. For all too long and too all too great extent, the Fulbright Program has not received the attention it deserves in USIA's organizational structure. It has been treated much like a stepchild. Administrative revamping of USIA to reflect the central role which educational and cultural exchanges now play in USIA's program operations would benefit the Fulbright Program by enhancing its visibility and attention among USIA's top political appointees in the new administration. Ideally, the new USIA Director should be a person of substantial reputation in America's academic community.

- 4. Strengthen the Fulbright Program's Academic Ties. An earlier personnel policy of USIA provided for the recruitment of a limited number of cultural attaches at major posts abroad drawn from the American academic community on leave of absence from their universities. These positions, which have strategic ties to the Fulbright Program overseas, would enhance the American academic community's relationship and support for the Program as well as strengthen America's cultural relationships abroad.
- 5. Create a Fullwight Endowment. An endowment would provide solid financial underpinning, increase the Program's stability, and reduce the Program's long-term costs.
- 6. Establish Centralized Private Fundraising. Congress should direct the Fulbright Board to engage in private fundraising to strengthen the financial stability of the Program. This, of course, would take advantage of the Fulbright name, which is internationally known and used in many countries for fundraising purposes. In some countries, such as Korea, the name Fulbrighter is actually in their dictionaries. Ironically, in the Senator's home country, his name is not appropriately used for private fundraising that would strengthen the Program, which bears his name. Foreign governments and the private sector contribute substantial sums to the Fulbright Program each year: Over 50 percent of Fulbright funding in Japan, Germany, Spain and Taiwan come from government and private sector contributions. We are overlooking a great opportunity at home to do what other countries have already done for this American program. Debt-for-development funding might also be pursued in the context of broader fundraising initiatives.
- 7. Fulbright Summit. Congress should provide the Fulbright Board with funds to plan a meaningful 50th Anniversary Celebration in 1996, which would for the first time bring together Fulbrighters from around the world not merely to celebrate, but also to create a new vision and energy for the Program as it enters the next century. President Clinton should be encouraged to participate actively in this celebration by naming several leading American academics as Special Fulbright Lecturers to represent the United States throughout the world during the 50th anniversary year.
- 8. Siting the Fulbright Program. The Fulbright Program has had two homes during its nearly 50 years: the U.S. Department of State until 1978, and USIA since then. These homes acknowledge the crucial importance of the Fulbright Program in the conduct of our foreign relationships, including the contributions of the U.S. Foreign Service. In the Fulbright Board's White Paper, we stated:

No discussion of program administration would be complete without comment on 'siting' Fulbright within the U.S. Government. . . The issue of where the Fulbright Program is best administered (or most carefully protected) is one that flares up periodically, with the Smithsonian Institution, the Library of Congress, and an independent foundation or endowment being recently put forth as alternatives to the USIA.

There is no perfect answer to this recurring question, which indeed recurs because of the nature of the Fulbright Program as a foreign policy initiative but only in the broadest, long-term sense. The Board believes, however, that any viable home' for the Program should have certain features, including:

- \* a link to the foreign affairs community,
- \* connections with the private academic world, and
- \* the capacity to receive privately donated, tax-deductible funds.

- 9. Strengthening Binational Commissions. No element of the Fulbright Program better represents the Program's success than the binational commissions. The congressional charge of achieving mutual understanding through the Program is evidenced by the large number of countries, now about 50, which have established agreements with the United States to conduct the Fulbright Program through a commission composed of equal numbers of Americans and persons of the host country. In most instances our most effective programs are in these countries, and they also are the ones with the most ambitious cost-sharing arrangements, private and public. The International Operations Subcommittee could acknowledge the importance of these commissions by paying tribute to their primary importance in the administration of the Fulbright Program in your Subcommittee Report. Commissions need to be looked upon as a permanent legacy to the original intent of Congress in the Fulbright Act of 1946.
- 10. Appropriate Recognition of Senator Fulbright. Many countries have honored Senator Fulbright, the father of the Fulbright Program, but not the United States. Congress should encourage President Clinton to honor Senator Fulbright lest the Biblical injunction apply: "A prophet is not without honor, save in his own country." A part of this honor could be the creation of a Fulbright Endowment and the strengthening of what he sponsored in the Fulbright Act of 1946, the Board of Foreign Scholarships, which is now known by the 1990 Act of Congress as the J. William Fulbright Foreign Scholarship Board.

#### Conclusion

The Fulbright Program is not only a national treasure, but also a global trust. The International Operations Subcommittee and the Congress possess an excellent opportunity to send a signal worldwide that America recognizes the continuing importance of this program, which has historically been almost entirely funded from U.S. government sources, but now as a response to its vision and success receives major support from around the world. Leonard Sussman in The Culture of Freedom The Small World of Fulbright Scholars puts this momentous opportunity in perspective.

Though I have not had a Fulbright grant, I welcomed the opportunity to examine the program. I knew, on the one hand, how significant the changes are that the Fulbright process has wrought and, on the other, how little recognized in the United States these ever-multiplying achievements are. Only at our peril do we continue to keep that wonderful idea, that incredible process, that unique network of Fulbrighters relatively secret.

Joyce Appleby Professor of History, UCLA Past President and Board Member Organization of American Historians

In 1990, the Organization of American Historians, embarked on a major effort to internationalize its programs and membership, reaching out to scholars and teachers of American history all over the world. The OAH has a membership of 12,000, including university, college and high school teachers, as well as public historians connected with government agencies, libraries, research centers and museums. Now three years later this represents an important commitment of the OAH, one that has involved a substantial investment of time and money from the organization, its staff and the professional historians who serve the organization voluntarily.

The <u>Journal of American History</u>, the premier learned journal in the field and a publication of the OAH, created a foreign board of editors and revised its reviewing policies to include foreign works and foreign reviewers, after extensive consultation with Americar historians around the world. The September, 1992 issue of the <u>Journal of American History</u> contains the first fruits of these policy changes with eleven major articles from foreign scholars evaluating the teaching of American history abroad. This issue inaugurated as well the new policy of giving more space to reviews foreign works on the United States.

More than sixty foreign scholars of American history attended the annual meeting of the OAH held in Chicago, April 2-5, 1992. Over forty of them presented their own work as part of the program, and all participated in sessions designed to showcase recent scholarship on American history. Having already received questionnaires about OAH international initiatives, those in attendance were prepared to discuss their students, courses, and library needs at regularly scheduled meetings and informal gatherings. Although a variety of opinions were aired, a general consensus formed around the critical importance to two-thirds of their countries (those outside Western Europe and Japan) for libraries for their students. Indeed over and over again, the speakers stressed the need for "books, books and more books." In this regard, foreign scholars attending the OAH annual meeting confirmed the results of a survey of 66 foreign institutions which also emphasized the need for scholarly reading material for college students.

Quite naturally, OAH members spearheading the international effort turned to the United States Information Agency and found support for all of these activities. The expenses for the foreign contingent attending the 1992 annual meeting were met by funds from the USIA, the MacArthur Foundation, the German Marshall Fund, the

American Studies Foundation, the Soros Foundation-Hungary, and the Baker & McKenzie Foundation. The USIA, through its Division for the Study of the United States, has demonstrated the kind of responsiveness that has sustained the continued commitment of the OAH. The innovative outreach of USIA's programs in the scholarly communities outside the United States has generated initiatives that are highly compatible with our efforts.

The United States Congress has a rare opportunity now to lay a solid foundation for the international prestige of the United States in the form of college libraries for foreign students. Courses in American Studies are taught in universities around the world, but, outside of Western Europe and Japan, there are few libraries to support these classes. This lack of scholarly articles and books dictates the kind of courses about the United States that can be taught. If Congress took the initiative in establishing collections of American scholarship at universities abroad where American Studies are now taught, it would forge a strong link with educated men and women of the next generation. Indeed, such scholarly libraries could be for the 1990s what the Fulbright Exchanges were for the 1950s.

Creating American Studies libraries for college students in selected countries would contribute to two foreign policy goals of the United States: to build a core of knowledgeable supporters abroad and, secondly, through them, to cultivate in the larger population a sympathy for the United States that would translate itself into sustained support. Undergraduate work in American Studies, when supported by libraries, would involve an understanding of the institutions and history of the United States that would go well beyond the perfunctory and superficial information gleaned from the popular press. Graduates of American Studies program abroad would become local advocates of the United States position in diplomatic and trade negotiations once their language proficiency had been directed towards the serious study of the United States.

The undergraduate students who take American studies will be the pacesetters in their countries, shaping through their knowledge of English and their study of the United States, the prevailing opinions about our country. At present most college students abroad learn about the United States through the most accessible aspects of our culture like movies, television shows and advertisements, instead of studying our history, government, economics, society and communications. What could be the means of educating a generation of men and women about the United States often becomes a vehicle for strengthening stereotypes because of the lack of library resources. While courses on popular culture can be valuable, they are no substitute for the true riches of scholarship that our own students get about the American Revolution, the Civil War, the New Deal, the Second World War, the Reagan era, the election process, the writing and interpretation of the Constitution, the presidency, the workings of the free enterprise system, American agriculture, the labor movement, the

professions in America, ethnic and racial relations, the print and broadcast media, and, yes, the fine traditions of the United States Congress.

To advance this project, the OAH formed committees of historians, political scientists, economists, sociologists and those in communication studies to draw up lists of the 150-200 most important books in print in their field, from the perspective of undergraduate teaching. Chairing these committees were Professor Eric Foner, Columbia University, for history; Professor Karen Orren, UCLA for political science; Professor Barbara Laslett, University of Minnesota for sociology; Professor Kenneth Sokoloff, UCLA, for economics; and Professor Neil Malamuth, University of Michigan for Communication Studies. Those book lists are now available, and USIA has begun a pilot program to establish an American Studies Library using the OAH-sponsored book lists. It is also important to stress that the host institutions abroad will have an opportunity to tailor these lists to their needs.

Since then, the OAH has received many letters from Americanists abroad stressing the importance of library collections to them. Unsolicited letters have come from Sri Lanka, Hong Kong, Ukraine, Kenya, and Mexico adding support to our initial survey of 66 foreign scholars around the globe, 43 of them from countries outside Western Europe and Japan.

The OAH has also established a new prize for the best articles and books published on American history in a foreign language and will, as part of the prize, shepherd through publication translations of the winning works.

USIA, established by the United States Information and Educational Exchange Act of 1948 and assigned the responsibility for providing "assistance to schools, libraries, and community centers abroad...in keeping with the free democratic principles and the established foreign policy of the United States," seems the appropriate agency for implementing this project. USIA has well-developed sections within its present structure competent to undertake this initiative. Under Title V - Disseminting Information about the United States Broad - the Act specifically provides for the dissemination of information about the United States through information centers and instructors abroad.

Further, the Mutual Educational and Cultural Exchange Act of 1961, enlarging on the original Fulbright-Hays Act, provided for "interchanges between the United States and other countries of handscrafts, scientific, technical, and scholarly books" as well as for "establishing and operating in the United States and abroad centers for cultural and technical interchanges to promote better relations and understanding between the United States and other nations through cooperative study, training and research."

At present USIA has embarked on several programs which would quarantee that the American Studies Libraries we propose would be

integrated into the academic life of the host universities and utilized to best advantage. This year USIA will hold two summer institutes in American political institutions and literature which will bring foreign university teachers to the United States for study. In both cases interest abroad was extremely high with close to 100 applicants for 18 positions. In forthcoming years, the USIA intends to sponsor similar institutes in history, economics, and other disciplines studying America. The OAH could help in the canvassing for and selection of institute participants abroad.

During this same period the OAH and USIA have been working together on a proposal to offer regional conferences among scholars in American Studies abroad. This summer, for instance, it has been proposed to hold a conference in Dakar, Senegal, with subsequent conferences planned for Southern, Central, Eastern and Northern Africa, Central America and the Caribbean and South America and East Asia. Once American Studies Libraries had been established, conference plans could include funding longer visits for participants to use the library in their own work and especially in their planning of courses for their students. USIA is also considering placing resident American scholars in the colleges and universities where American Studies Libraries might be established.

Scholars in the United States, particularly those in American history, have welcomed these programs that have taken the agency in new directions. More importantly, these programs would ensure that the book and journal collections would be used by undergraduate students, their professors and even graduate students embarking on professional careers in American Studies. These mutually enhancing initiatives are the ones that fulfill their goals, for they ensure the coming together of needs and resources.

Establishing collections of scholarly works on the United States in those foreign universities that already have an American Studies curriculum would involve selecting, purchasing and shipping books to designated college libraries where contracts with host institutions had been negotiated. Designed for undergraduates in foreign colleges and universities, these libraries would enhance the English proficiency of the students and, more important, greatly extend the range of courses about the United States that could be taught in American Studies programs abroad.

The lists of books selected by committees of scholars in American history, government, economics, sociology, and communication studies represent a core collection of the most significant, current scholarship published for a college audience. In addition to this collection of some 800 titles, fifteen learned journals in the fields of history, economics, sociology, political science and communication studies should be subscribed to, thus completing the American studies library collection in each institution. For a five-year period USIA should make annual purchases to keep the libraries current. Additional staff support in the Washington office of the USIA would also be necessary to execute and monitor

the arrangements with host universities and supporting groups in the United States.

The cooperation of a host university would be a condition for establishing a USIA American Studies Library Collection in a foreign university. Since only those universities with an American Studies program already in place would be candidates, there can be a certain presumption of interest. Indeed, Americanists abroad had already specified library resources as their greatest need. Guarantees from the host university to keep the library current and accessible will have to be secured for the period after the initial five years. Negotiations between the USIA and the host institution would establish the space allocation and location for the collection, its protection, the terms of access for undergraduate students, the professional standing of the support staff, as well as the details for assuming responsibility for maintaining the collection after the start-up period has ended.

There are nearly 65 universities in non-Western countries where an American Studies curriculum is taught. To start each collection would cost in the neighborhood of \$45,000 (including equipment, furniture, and U.S.I.A. administration) with another \$5,000 annually for five seed years for purchases of books and periodicals. Because of the twelve-year length of the program, it would be advisable in the Congressional Authorization Bill to endow the program at \$10 million over a two-year period, with an initial \$5 million.

Below is a schedule for completing 65 libraries in twelve years with an optimal pace of ten new library establishments a year, with the remaining five in the sixth year. The total annual costs would begin at \$450,000, peak at \$700,000 for the sixth year, and end the twelth year with \$25,000.

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first year
             $450,000 (ten at $45,000 each)
second year
              $450,000 plus $50,000 = $500,000
third year $450,000 plus $100,000 = $550,000
            $450,000 plus $150,000 = $600,000
fourth year
fifth year
sixth year
            $450,000 plus $200,000 = $650,000
            $450,000 plus $250,000 = $700,000
seventh year $225,000 plus $250,000 = $475,000
eighth year
                            $225,000 = $225,000
ninth year
                            $175,000 = $175,000
tenth year
                            $125,000 = $125,000
eleventh year
                             $75,000 = $75,000
twelth year
                             $25,000 = $25,000
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Interest in American Studies is extremely high around the world. In Eastern Europe in particular, colleges and universities have moved to strengthen English language programs and extend their course offerings on the United States now that the Soviet Union no longer exerts control over their institutions of higher learning. Visitors to Hungary, Czechoslovakia, and Poland have learned from

scholars in those countries who teach American history, literature, linguistics, political science, economics and sociology that student are enrolling in record numbers, but all efforts to build on this enthusiasm are slowed, if not stymied altogether, by their poor libraries in these fields. There is an abundance - perhaps too many - projects for sending books to Asia, Africa, Latin America, Eastern Europe and the Middle East. What is lacking are well-focussed scholarly collections for university undergraduates majoring in American Studies. Because it is impossible to teach or study a subject at the college level without access to current scholarship, the lack of library resources acts as a bottle neck.

In the Spring of 1991, for instance, Hungary held its first conference on American Studies in Pecs, attended by representitives from their four major universities as well as Fulbright scholars currently teaching in the country. With support from the Soros Foundation a new American Studies department had been established in 1990 at Eotvos Lorand University in Budapest. The consensus at the Pecs conference as well as at a meeting at Charles University in Prague was that the next five years will form a critical period for the teaching of American Studies in Eastern Europe. Reflecting the historic problems of Mitteleuropa, the scholars expressed their fear of a cultural isolation. At the same time they see that with the changes in travel and communication that have taken place since 1947, a real opportunity exists for their countries to have a variety of links with the outside world. American Studies are enormously popular subjects with their students, but their instruction is hampered by a lack of books.

With the integration of Eastern European nations into the communication networks of the West, a whole new group of college students has given evidence of the strong appeal that the United States has. For college students one important avenue for expressing this interest is learning English and taking classes in American Studies. Students in these programs are expected to read English at a college level, and thousands of students meet these requirements. With their proficiency in English, graduates of American Studies programs in foreign countries embark on careers in elementary and secondary school teaching, public broadcasting and journalism, in governmental agencies dealing with the English-speaking world, and in international trade. They are strategically placed to influence the opinions which their countrymen, and particularly school children in their countries, form about the United States.

However, in colleges and universities in Eastern Europe, in Africa, Asia, the Middle East and Latin America, there is rarely the money to buy the books necessary to study the United States properly. Without books and periodicals suitable for college students, the American Studies curriculum tends to focus upon popular culture in the United States, using movies, tv shows and commercials to supply the deficiency in college level reading material. The true riches of American scholarship - the outpouring of excellent academic work of the past twenty years on all aspects of American history,

government, law, economics, race relations, and education - is closed to them.

American scholarship on ethnicity, the work place, women, and the family is unique in the world in large part as a result of the GI Bill which opened college doors in the 1940s in the United States to thousands of young men and women from previously excluded groups. The extension of higher education in the 1960s in turn led to academic careers for a whole new cohort of young people. Quite unexpectedly this new generation of professors brought their working class and ethnic backgrounds to bear on their scholarship, carrying the tools of research into the workplace, the ghetto, the barrio, and the world of women. This democratization of history, sociology, economics, political science and communication studies guarantees that the scholarship of American Studies vibrates with meaning for young people everywhere.

# STATEMENT OF WILLIAM P. FULLER PRESIDENT, THE ASIA FOUNDATION

# BEFORE THE INTERNATIONAL OPERATIONS SUBCOMMITTEE OF THE HOUSE FOREIGN AFFAIRS COMMITTEE

March 23, 1993

Mr. Chairman and Members of the Committee,

On behalf of The Asia Foundation, I am pleased to testify on new directions in public diplomacy, and the role of private organizations. In the post-Cold War era, the economic and political pluralism that is emerging in several regions of the world brings new opportunities, and a new imperative, for public diplomacy.

Nowhere is this seen more clearly than in the Asia-Pacific region. As democracy takes hold in countries that had once lived under authoritarian or totalitarian rule, private sectors are becoming stronger, and non-governmental organizations play a new and vital role. With the region no longer divided by rival superpower alliances, bilateral relations have become more complex.

As the issue of security declines in emphasis in U.S.-Asian relations, the U.S. finds that it must deal with a wider range of interests: those of trade and economics, of promoting democracy and human rights, and of protecting the environment. Moreover,

the U.S. must cultivate a new generation of Asian leadership, one whose interests and loyalties are no longer driven by Cold War partnerships. These emerging leaders are more pragmatic than ideological, and more diverse in their origins.

In past eras, for example, leaders in non-communist countries were almost invariably drawn from elite classes with strong ties to the West. Asia's new pluralism, however, presents a challenge for American policymakers. Governments find it more difficult to deal effectively with the variety of emerging issues, as well as the variety of new actors. A full constellation of organizations -- private and public -- supporting American interests abroad will be needed to establish and maintain contact with new groups and leaders.

### DEMOCRACY-BUILDING IN ASIA: A CASE STUDY

To illustrate the role a private American organization can play in this regard, I'd like to sketch for you The Asia

Foundation's work to help Asians build democratic systems and societies. Since the end of World War II, the promotion of democracy abroad has been an element in American foreign policy. In the 1950's and 1960's, it took the form of military defense against the communist threat. In those decades, the Cold War in Asia was in fact a hot one, and the U.S. committed a significant portion of its national treasure, and tens of thousands of

American lives, to those struggles. In the second half of the 1970's, human rights as one aspect of democratization took on new emphasis in official policy. This expanded in the 1980's to a concern for democracy-building as a whole. The first half of that decade saw the creation of new American institutions for the express purpose of promoting democracy on a global basis.

With some exceptions, Asia's current democracy movements began in the 1980's. They pre-date the dramatic events in the former Soviet Union and Eastern Europe that led to the fall of communism in those regions. Indeed, Asian democratization has been more evolutionary than revolutionary. As a rule, it hasn't attracted the headlines that Eastern Europe commanded in the first few years of this decade. But although democratization in Asia has been in train for a longer time, there is still much to be done. Asia contains some of the most determined communist regimes: China, North Korea, Vietnam and Laos. Although there are signs of a new economic and social pluralism in China and the former Indochina, the governments at present intend to maintain one-party communist rule.

But even those countries in which democracy is taking hold have a considerable road ahead of them. Although elected leadership is in place in a number of countries, new roles must be found for the traditional holders of power, such as militaries, to prevent negative backlash or even forcible

attempts to reverse the democratization process. Moreover, democratization involves profound changes to societies as well as systems. Helping to shape a new political culture is as important as building new institutions, or reforming existing ones. To abandon the process at the halfway mark is to risk losing the entire game altogether.

For many reasons, the U.S. government cannot in many cases provide the primary direct support for these efforts, and in some cases could find it difficult to be involved at all. Three primary factors constrain the U.S. government in its attempt to assist democracy-building in Asia directly. First, advocating the reform of some government structures could, for example, make the daily conduct of government-to-government relations difficult. Second, official diplomacy must often attend to a host of short-term concerns, which can slowdown or impede the pursuit of longterm goals. Third, effective assistance to democratization requires working with private sector groups as well as government, many of which would find it difficult to accept assistance directly from any government, domestic or In addition to aid to governments, parallel assistance is also needed to help strengthen political party systems, create a strong and participatory civil sector, and encourage the development of a free press. Both ends of the democracy process -- the "supply" and the "demand" side -- need to be developed if democracy is truly to take root.

To illustrate the breadth and depth of the democratization process, I'd like to set out some examples that show the range of the Foundation's assistance to democracy-building in Asia, and the impact the Foundation has been able to make. The Foundation takes particular care to tailor its assistance to the individual country in which it works. That nation's political and economic system, its history, its culture, and its past and present relations with the United States are all considered when Foundation staff map out assistance strategies to promote democratization.

Representative government: In Indonesia, where the executive branch has had almost exclusive control of the policymaking process since independence, pressure for greater openness has given the Parliament, and the possibility of greater influence, in national decision-making. To support this trend, The Asia Foundation, at the request of Parliamentary leadership, is helping to develop a cadre of professional staff in the Parliament who can offer timely, impartial information on critical legislative and policy issues to House members.

Free and fair elections: The most significant aspect of conducting free elections in the democratizing countries of Asia today is not in the technical aspects of administration at the polls. Rather it is in developing indigenous groups to

monitor the fairness of elections. These groups are better able to detect such abuses as vote-buying or similar manipulations than are external teams, who frequently witness only the events at the polling stations. In addition, supporting the development election "watchdogs" strengthens the participatory role of the civil sector in democracy. In the mid-1980's, the Foundation assisted the Catholic Education Association of the Philippines, the lead organization under the NAMFREL umbrella, which played a crucial role in the 1986 Presidential elections. Since that time, Foundation assistance has enabled a number of countries to draw upon NAMFREL for advice and training, in their own efforts to build local capacity for the management and monitoring of elections.

. Political accountability: The ability of democratic governments to govern in Asia, and the fate of democracy itself, will rest in great part upon the accountability of elected leaders. At present, there are few mechanisms for oversight agencies, within elected bodies themselves, or for the public to monitor elected leadership. In Thailand, the Foundation is supporting the establishment of "MP Watch," a university-based effort to assess the performance and ethics of Members of Parliament, and to distribute its findings widely.

Constitution drafting or reform: When nations make the collective political decision to move from authoritarianism

or totalitarianism to a more democratic system, constitutional reform is crucial. This is an area in which foreign assistance is perhaps the most sensitive, since it speaks to the heart of the political system. Most recently, the Foundation has provided assistance to Nepal and Mongolia in constitutional drafting.

democracy. In Asian countries in varying states of democratic development, new groups are forming around public policy issues that affect the daily lives of citizens. These groups join with the country's media to educate the public on these issues, and to lobby the government for policy reform. In many countries, environmental issues have been the catalyst for this new trend of citizens' participation. In both Thailand and China, the Foundation provided assistance to train journalists in environmental issues. In Sri Lanka, the Foundation is conducting a four-year project to promote a more active role for non-governmental organizations in encouraging and shaping environmental policy.

. <u>Civil-military relations</u>: In a number of Asian countries, finding a new role for the military in a democratic system and society has been the most challenging aspect of democratization. Except for The Asia Foundation's efforts, virtually no foreign assistance has been applied to this key problem in the region. In 1992, the Foundation convened an

international conference comprised of senior Asian military leaders, prominent Asian social scientists, and leading American government officials and academics to consider the present state of civil-military relations in Asia. It was the first such meeting ever held.

Across the board, the Foundation's assistance to democracy has three basic elements. First, it works to identify and develop new leadership. Second, the Foundation encourages development of indigenous institutions, and takes a systematic approach to democracy-building. I should emphasize, however, that the Foundation assumes a very broad definition of the word institution. In addition to executive branches, legislatures and judiciaries, key institutions would for example include citizens' advocacy groups, press institutes, and universities that offer advice and support to the democratization process.

Third, the Foundation's character as a multi-purpose organization enables it to work across the spectrum, with the forces of democratic change and with traditional holders of power. It is the Foundation's belief, and experience, that democratization must include all quarters of a country's system and society. Not all are accessible to organizations whose only mandate is the promotion of democracy, however. For example, the Foundation's work in promoting regional relations has given it access to Asian militaries, which may then be brought into the

democratization process through Foundation-sponsored projects.

#### THE FOUNDATION'S COMPARATIVE STRENGTHS

Several aspects of The Asia Foundation's structure and operating philosophy enable it to play a unique role in the conduct of public diplomacy. All of these factors certainly apply to assisting democracy-building in Asia. They are equally useful, however, in other areas of U.S.-Asian relations that may be too sensitive for governments to address head-on. These include some issues in economic policy or reform, and developing new inroads with countries that had not previously had relations with the United States. What, then, are these strengths?

- 1. The Foundation's private status, and its governance structure. The Asia Foundation Board of Governors is drawn from the private sector, and it is the Board that selects the Foundation's president. As a private organization, the Foundation has the ability to set its program priorities, in keeping with needs and opportunities in Asia. The Foundation is not required to receive clearance from the U.S. Government for its grants. In Asia, this private status makes the Foundation approachable, and accessible, to a range of groups and individuals beyond the normal reach of the U.S. Government.
  - 2. The Foundation's consultative relationship with the

U.S. Government makes it sensitive to policy concerns, and to
U.S. interests. Beyond the substantive value of the Foundation's relationship with the U.S. Government, consultation enables both sides to develop complementary programs, preventing redundancy, duplication or unnecessary overlap. This increases the cost-effective value of the Foundation for the government.

- 3. Because of the Foundation's funding, both Asian and American groups see the Foundation as a natural go-between.

  Asians as well as Americans recognize and appreciate the unique role that the Foundation plays. Both sides often perceive the Foundation as a means of communication for closer relations, new directions in policy, or new initiatives between the U.S. and the host government, between the U.S. government and the local private sector, and even between groups within the Asian country's system or society. This honest broker aspect of the Foundation's presence in Asia has consistently been a strength throughout the Foundation's history.
- 4. The Foundation's forty-year history in Asia makes it sensitive to the nature and pace of change in that region, and gives it bona fides across the spectrum of Asian societies.

  Asia's new leaders today were in many cases grantees of the Foundation ten or twenty years ago. In Thailand, for example, the Prime Minister and six members of the Thai cabinet are former

Foundation grantees. Because Asians recognize the Foundation's longterm commitment to Asian social, political and economic development, we can take risks that are not tolerated in other foreign organizations in residence.

- 5. The Foundation's network of field offices gives it a physical presence important in forming partnerships with Asian institutions, and an ability to detect new movements and nuances in political, economic and social change. The on-the-spot nature of the Foundation's field programming enables it to work closely with new groups in the host country, to monitor the progress of its grants, and to provide the home office with indepth appraisals of conditions in the country that may affect not only the Foundation's work, but larger questions of U.S. interests.
- opportunities and needs in a timely and sensitive manner.

  The Foundation is able to respond to some Asian initiatives with a turnaround time of only twenty-four hours. The Foundation's internal organization and procedures enable it to adhere to accounting and management rules, while making it possible for Asians to request and receive assistance in an unencumbered and friendly fashion. Moreover, when conditions in Asia change, the Foundation is able to redirect and remobilize its assistance in a timely manner, making it an effective, quick-response tool in the foreign policy process.

Mr. Chairman, I thank you again for this opportunity to appear before the subcommittee, and would be happy to answer any questions.

Testimony on Debt-for-Development

A Mechanism to Enhance U.S. Educational and Cultural Exchanges

Before the House Foreign Affairs Committee Subcommittee on International Operations

by

E. T. York, Jr.

Chancellor Emeritus of the State University System of Florida and member of the Board of Directors of The Debt-for-Development Coalition, Inc.

March 23, 1993

Good afternoon Mr. Chairman and members of the committee. My name is E. T. York. I am Chancellor Emeritus of the State University System of Florida and a member of the Board of Directors of The Debt-for-Development Coalition, Inc., headquartered here in Washington. John B. Ross, president of the Debt-for-Development Coalition, Inc., is with me.

I appreciate the opportunity to appear before you to discuss, briefly, opportunities for expanded application of the debt-for-development concept which is proving to be an effective tool in US development efforts.

While the end of the Cold War has offered unprecedented opportunities for global cooperation, budgetary pressures and competing demands here at home now limit resources for international programs. Increasing demand for U.S. educational and technical assistance efforts to deal with global issues such as the environment, health care, AIDS education and prevention, and assisting in the development of market-oriented economic policies is severely straining funding for U.S. government agencies and those supporting institutions concerned with building collaborative programs.

Debt-for-development transactions are a proven financial mechanism to increase the amount of funding available for development programs, including educational and cultural exchanges. Debt-for-development conversions allow non-government organizations (NGOs) such as universities or cultural exchange organizations to maximize their

limited resources for international programs. At the same time, debt-for-development transactions permit debtor countries to reduce their external debt burden by paying off part of their external debt in local currency, often in an amount less than the face amount of the debt.

Let me explain briefly how such debt conversions work.

An NGO can obtain more local currency by converting its U.S. dollar resources (or other hard currency) into local currency through a debt-for-development swap rather than a conventional foreign exchange transaction. Because many external debt instruments of developing countries have little chance of being fully repaid, they can be purchased on the secondary market for a price substantially below their face value. In the debt swap approach, the NGO uses its hard currency resources to purchase such discounted debt, and the debtor country agrees to redeem the debt for local currency in an amount exceeding the discounted price the NGO pays for the debt. The NGO agrees to spend the local currency on an approved local development, environmental, or social welfare project. (Table 1)

In the final analysis, debt conversion is a win, win, win process for all parties. It benefits NGOs and donor agencies by increasing the funds they have available for work in developing countries. Moreover, debt swaps benefit the developing countries in several ways--by

improving the ability of the debtor country to service its remaining debt and attract new loans and investments. Developing countries are also benefited by the fact that resources that would have been used to make payments to foreign creditors can instead be used to promote development, environmental and social welfare programs in accordance with national priorities. The creditor community is also benefitted because conversions benefit the debtor country's economy and increases the likelihood that the country will service its remaining debt.

One current example of a debt conversion is an agreement being negotiated between the government of Nigeria and the River Blindness Foundation (RBF). The debt swap will provide additional resources for mass distribution of ivermectin, a drug used to combat river blindness. Under the transaction, RBF will purchase a \$1 million Nigerian debt from a commercial bank at about 30 percent of its face value (or US \$300,000). The Central Bank of Nigeria will then pay RBF 50 percent of the original debt (the equivalent of US \$500,000) in Nigerian naira, which will help fund the the national ivermectin drive. (Table 2)

By using the debt conversion mechanism, RBF will gain the equivalent of US \$200,000 in naira funds for its project and, as a result, the number of Nigerians receiving this important drug will increase by two-thirds. In addition, the government of Nigeria will clear its book of US \$1 million in external debt outstanding and the commercial bank will recoup part of a loan that is not being serviced.

While the US Congress has been supportive of the debt-for-development concept, only one Federal agency (the Agency for International Development) allows its grantees to use Federal funds for debt-for-development transactions. Congress has supported this initiative by passing legislation that permits interest earned on local currency proceeds from a debt conversion to be used by the NGO for program activities.

We believe that the U.S. Information Agency (USIA) could greatly benefit by having similar legislative authority to allow recipients of its grants and contracts to use those funds to finance debt conversions. With the tight budget situation, debt conversion programs offer one means of expanding overseas activities for USIA without the cost of more dollars. It would allow the continuance of exchange programs at current levels, or the addition of new programs without additional resources, by providing a means to increase local currencies for its in-country costs.

The Debt-for Development Coalition would be glad to work with Committee and Agency staff to develop appropriate legislative language and to help set up procedures and guidelines on debt-for-development conversions involving U.S. government funds.

In closing, may I also briefly address the opportunities which U.S. bilateral debt may offer to enhance development and exchange programs.

A number of creditor nations have agreed to allow a limited amount of official bilateral debt to be used in debt conversions. I believe the United States has an opportunity to take a leadership position in allowing innovative use of this debt. The Enterprise of the America's Initiative was a good beginning. It does not, however, begin to explore the benefits that could be generated by a conscious decision to turn the debt problem into educational and developmental opportunities.

Official U.S. bilateral debt could be used, for example, as a grant to a U.S. educational or exchange group to fund activities that require a number of years of constant attention and work. This type of grant could be conditioned on the debt being paid off in local currency over some period of time. This type of grant would be critical in strengthening the basic educational structures in developing countries, assuring funding for ongoing exchange program or allowing longer-term sustainable development and conservation programs to be funded.

Another reasonable possibility would be to allow U.S. bilateral debt to be sold at a discount to qualifying entities. Sales of bilateral debt would have to be structured carefully in order to eliminate or minimize any possible impact on the U.S. government's budget. In this regard, it is important to realize that much of this bilateral debt is no longer worth full face value. The losses, however, occurred in the past. The use of bilateral debt should not be impeded by efforts to charge losses to current budgets because the declines in value were not reflected when they actually occurred.

The use of bilateral debt to support educational, scientific and technological transfer programs benefits both the U.S. and developing countries and offers additional incentives for economic growth. A program using bilateral debt for these activities where governments are making significant efforts at self-improvement would be consistent with the U.S. government's efforts to relieve debt-servicing burdens and to promote development and social welfare.

Finally, may I say that the value of debt-for-development conversions is being amply demonstrated through the work of the Coalition. Last year alone The Debt-for-Development Coalition completed about 45 debt-for-development transactions for 24 major development organizations in six countries. Under these transactions, NGO investments of about \$4 million have generated about \$3 million in additional resources for development and retired over \$6.3 million in external debt of developing countries. I strongly believe that significant additional benefits would accrue to our nation and its international development and exchange activities if Congressional authority could be granted to USIA to utilize this mechanism to leverage the funds available to support its program activities.

Mr. Ross and I would be glad to respond to questions.

Thank you.

Table 1

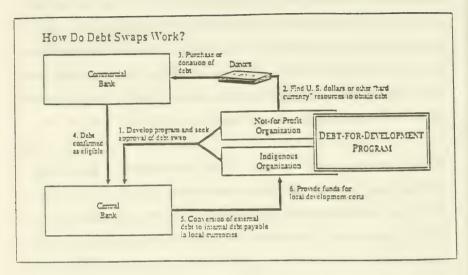
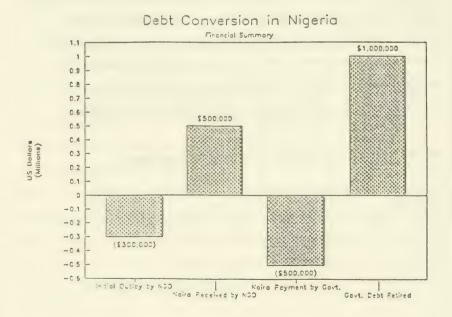


Table 2



Additional Comment on Debt-for-Development A mechanism to Enhance U.S. Educational and Cultural Exchanges

Before the House Foreign Affairs Committee Subcommittee on International Operations March 23, 1993

> by John B. Ross

In connection with the testimony provided by Dr. York, I would like to supply the Subcommittee with data provided by the United States Treasury detailing the outstanding long-term principal indebtedness of selected Foreign countries on U.S. Government credits. These data show that substantial official U.S. Government debt is still outstanding to countries that suffer from severe external debt problems in Africa, Latin America, Central Europe and the former U.S.S.R. and other developing countries. The U.S. Treasury breaks this data done by various categories of credits, such as under Foreign Assistance and related Acts, Export-Import Bank Act, Agricultural Trade Development & Assistance Act, etc.

As mentioned in the testimony of Dr. York, using bilateral debt "where governments are making significant efforts at self-improvement would be consistent with the U.S. government's efforts to relieve debt-servicing burdens and to promote development and social welfare." I hope that this committee will examine the use of official bilateral debt closely. The possibilities of establishing longer-term funding for education, environmental protection and many other sustainable development activities is appealing in itself. Added benefits are that this type of mechanism would allow sizable amounts of debt to be reduced but with payment in local currency spread out over years. Allowing payment over and extended period of years also reduces inflationary pressures in the developing countries and makes monetary management easier.

Outstanding Long-Term Principal Indebtedness of Selected Foreign Countries on U.S. Government Credita (Exclusive of Indebtedness Arising From World War I). As of September 30, 1992, by Area, Country and Program (Exclusive of Indebtedness Arising From Foreigness). The Millions of Dollars and Dollar Equivalents.

Under Agricultural Trade Development & Assistance Act	Total	2,119.7 19.0 674.0 479.8	3,293.0	6,012.3 2,015.1	3,962.3	240.2 240.2 2,523.6 93.2	15,518.7	979.8	3,372.2	7,621.1
	Other Credits					47.9	6.7.9			
	Commodity Credit Corp. Export Credits	1,735.7	1,735.7	268.6	35.2	£	311.8	•		•
	Lend Lease Surplus Prop. and Other War Accounts	674.0	0.479	23.3			23.3			
	Long-Term Dollar Credits	19.0	87.5	3,101.6	19.3 30.4 9.6	54.1 39.4 87.2	3,341.5	17.7 979.8 430.7	1,052.9	2,890.1
	foreign ies To: Private Enterprise		0.0				0.0	0.1	4.6	3.3
	Loans of Foreign Currencies To: Foreign Prive Gov'ts Enterp	7.0	7.0	0.1 2.8 11.4	7.0	3.1	18.1	0.8	65.8 0.3	67.2
	Foreign Assistance (And Related) Acts	9.9	24.6	2,597.4	3,883.7	44.6 183.0 2,408.0 6.0	11,608.9	57.4	2,250.1	4,581.6
	Under Export- Import Bank Act	305.6	770.8	41.9	59.3	28.2	167.2	76.9	2.0	78.9
		Czechoslovakia Poland Romania USSR (former) Yugoslavia (former)	Central Europe Total	Cyrus Egypt Greece Iran	Iraq Israel Jordan Lebanon	Omen Syria Turkey Yemen	Near East Total	Afghanistan Bangledesh India	Matures Mepal Pakistan Sri Lanka	South Asia Total

Source: Office of the Assistant Secretary for International Affairs Status of Active Foreign Credits - September 1992

Outstanding Long-lerm Principal Indebtedness of Selected foreign Countries on U.S., Government Credits (Exclusive of Indebtedness Arising from World War I). As of September 30, 1992, by Area, Country and Progrees (In Millions of Dollars and Dollar Equivelents)

			Under Agricultural Trade Development & Assistance Act	Under Agricultural Trade velopment & Assistance Ac	rade r Act				
	Under Export- Import Bank Act	Foreign Assistance (And Related) Acts	Loans of Foreign Currencies To: Foreign Priva Gov'ts Enterp	reign s To: Private Enterprise	Long-Term Dottar Credits	Lend Lesse Surplus Prop. and Other Mar Accounts	Commodity Credit Corp. Export Credits	Other Credits	Total
Algeria	193.4				3				193.4
Botswene Cameroon Central African Republic	31.0	23.1 6.9							23.27 2.02.7
Congo	11.8	i			7.6				9
Gebon Gembie, The	54.9		0.2		1.0				9.00
Guinea			0						0.0
Ivory coast Kerya	137.5	26.4	0.0		¥ 8.				116.2
Liberia	9,7	97.7			91.9	12.7			101.7
Meurison			0.1						24.4
Neuritius					7.3				in a
Rozambique	42.6	399.4	12.6	6.1	4.064		167.0		1,203.9
Specie	6.5	8.0							11.6
Seregal Sierra Leone	18.8	12.7	1.1		7.5				655.4
Some I fia Suden	28.2	151.5			146.8		;		237.2
Swazilend	24.0	6.0			930.0		51.2		6.79.6
Tunisia	€9:	148.6	16.3	4.9	167.6				2.0
Zaire	921.8	286.8			283.9		12.4		505.5
Limbabwe		4.1			26.1				313.4
Development Corp of West Africa		0.7							1
Africa Total	2,545.2	1,455.1	43.6	12.5	1.986.4	12.7	2.072	6	
							2.042	0.0	6,296.2

Source: Office of the Assistant Secretary for International Affairs
Status of Active foreign Credits - September 1992

Outstanding Long-Term Principal Indebtedness of Selected Foreign Countries on U.S. Government Credita (Exclusive of Indebtedness Arising From World War I) As of September 30, 1992, by Area, Country and Program (In Millions of Dollars and Dollar Equivalents)

	Total	13.8 210.9 308.3 116.1 1,639.2 108.4	2,404.6	2.4 701.9 701.9 1.6 1.6 1.6 1.6 1.6 1.6 1.6 1.6 1.6 1.6
Under Agricultural Frade Development & Assistance Act	Other		0.0	
	Commodity Credit Corp. Export Credits	3,0	39.8	114.7 23.3 119.4 20.2 37.4 50.9 37.4
	Lend Lease Surplus Prop. and Other War Accounts	116.1	116.1	
	Long-Term Dollar Credits	210.9	475.0	102.4 4.7.4 1.31.5 1.31.5 207.0 1.23.6 5.0 5.0 5.0 1.33 1.33 1.33 1.33 1.33 1.33 1.33 1.
	foreign ies To: Private Enterprise		0.0	3.6
	Loans of Foreign Currencies To: Foreign Prive Gov'ts Enterp	0.8	1.0	
	Foreign Assistance (And Related) Acts	13.0 468.2 58.8 (*)	240.0	10.7 10.7 10.7 10.7 10.7 10.7 10.7 10.7
	Under Export- Import Bank Act	308.3	1,232.7	8.0 1.3 1.3 1.3 1.3 1.3 1.3 1.3 1.3
		Burma Cambodia China (Mainland) China (Musperified) Papua New Guinea 2.0 Vietnam Asia Regional	Less Developed Eastern Asia and Pacific Total	Antigue and Barbuda Antigue and Barbuda Antigues and Barbuda Barbados Barbados Barbados Barbados Contra Resil Colombia Colombia Colombia Colombia Colombia Colombia Colombia Colombia Colombia Colombia Colombia Colombia Colombia Marica Guaranala Guaranala Guaranala Guaranala Guaranala Antica

Source: Office of the Assistant Secretary for International Affairs Status of Active Foreign Credits - September 1992

Outstanding Long-Term Principal Indebtedness of Selected Foreign Countries on U.S. Government Credits (Exclusive of Indebtedness Arising From World War I) As of September 30, 1992, by Ares, Country and Program (In Williams of Dollars and Dollar Equivalents)

8.0

	Total	94.1 2.0 31.8 1,350.8	110.9 35.7 35.7	150.0 150.0	12,174.7		47,248.5
	Other Credits				0.0		67.9
	Commodity Credit Corp. Export Credits	2.1			1,270.3		3,598.3
	Surplus Prop. and Other Var Accounts			9.9	8.9		832.9
rade e Act	Long-Term Dollar Credits	214.1	1.6		1,460.6		34.8 10,241.1
Under Agricultural Trade Development & Assistance Act	oreign es To: Private Enterprise				19.0		34.8
Under Ag Development	Loans of Foreign Currencies To: Foreign Priva Gov'ts Enterp	(*) 0.5			0.5		130.8
	foreign Assistance (And Related) Acts	44.8 220.8 30.1 449.8 9.8 1.6	34.0	8.0 107.5 159.0 4.6 22.6 12.6	5,128.7	0.1	23,339.0
	Under Export- Import Bank Act	49.3 7.51	110.9	7.6	4,228.9		9,023.7
		Micaragua Panama Perayuay Peruyah St. Kitts and Mevis St. Vincent and the Grenadines	Juliname Trinidad and Tobago Uruguay Venezuela	Ardean Development Corp. Caribbean Development Bank CASH CASH Western Nemisphere Regional Western Nemisphere Unspecified	Western Hemisphere Total Worldwide Unspecified	Worldwide Total	GRAWD TOTAL

Data has minor distortions from rounding errors.

Source: Office of the Assistant Secretary for International Affairs Status of Active Foreign Credits - September 1992

# STATEMENT BY CONGRESSWOMAN OLYMPIA J. SNOWE SUBCOMMITTEE ON INTERNATIONAL OPERATIONS

## HEARING ON THE FUTURE OF INTERNATIONAL EXCHANGES MARCH 23, 1993

Mr. Chairman, I am pleased that we are taking the time in our busy authorization schedule for a hearing that focuses exclusively on U.S.-funded international exchange programs. USIA exchange programs such as the Fulbright, Humphrey and International Visitor programs have long enjoyed strong support in Congress. Over the past few years, ironically, strong congressional support for this activity has proven to be a problem, as well as an asset.

But before talking about the problems in the international exchange arena, it is worth considering the function's many successes. Exchanges have consistently proven to be among our most effective long run international programs. Over time, they have greatly advanced international understanding of the United States as a country, Americans as a people, and of the objectives of U.S. foreign policy.

In previous hearings on this issue, our witnesses have repeatedly listed the many prominent world leaders who have participated in one or another U.S.-government sponsored exchange program. This points out the very long-range nature of exchange activities. It is very much like the sowing of seed corn over parched earth. We can never know at the time when the rains might come or exactly which kernel might sprout. It is even difficult to know with any certainty what impact, if any, the exchange experience had on that individual's later success or attitudes toward the United States.

All we can know is that experiencing America first hand leaves a lasting impression: Likewise, the experience Americans bring back from foreign lands enriches our own nation both culturally and economically.

During the decade of the 1980s, and continuing on into the first three years of this decade, USIA exchange programs have experienced unprecedented growth. From 1981 to 1986 the Fulbright program alone more than doubled from \$38 million to \$85 million. Today, funding for the Fulbright program exceeds \$100 million. Budget growth in the larger exchange budget has been even more dramatic. In 1980, the entire USIA exchange budget was \$63 million. That nearly tripled to \$154 million in 1990. In the last three years, that budget has nearly doubled again to \$243 million.

Some, of course, may argue that even the current funding level of nearly \$250 million for USIA exchange programs is inadequate, and should be further expanded. But the current budget environment calls for spending restraint, not dramatic and costly new initiatives. In fact, given continued growth in the exchanges account at a time of declining overall USIA budgets, I would argue that international exchange programs remain among the most generously funded of all USIA activities.

This leads to the area where strong congressional support has curiously lead to problems in the international exchanges account. In our last authorization bill, the Chairman and I became concerned about the unusually large number of congressional earmarks and new, often redundant, exchange programs established by individual Members. I would note, for the benefit of our new colleagues on the subcommittee, that nearly all of these new programs came from the Senate bill. The Chairman and I worked in conference to pare back this earmarking and redundancy problem, but we had little success.

I continue to be concerned that this may have the unintended affect of limiting both the flexibility of USIA exchange programs and the ability of the United States to respond to global changes.

Because of our experience two years ago, the Chairman and I asked the GAO to provide an inventory of all federally-funded international exchange programs and to identify "overlaps, duplications, fragmentation and statutory rigidities." I am pleased that the GAO is hear today to discuss some preliminary findings. With this information, the subcommittee may be able to rationalize the structure of exchange programs at USIA both to reduce administrative costs and to improve flexibility and effectiveness.

Again, I would like to welcome our distinguished witnesses, and I look forward to your views.

GAO

United States General Accounting Office

#### Testimony

Before the Subcommittee on International Operations, Committee on Foreign Affairs, House of Representatives

### **EXCHANGE PROGRAMS**

Observations on International Educational, Cultural, and Training Exchange Programs

Statement of Joseph E. Kelley, Director-in-Charge, International Affairs Issues, National Security and International Affairs Division



Mr. Chairman, Members of the Subcommittee:

I am pleased to be here today to discuss our ongoing review of U.S. government-funded international educational, cultural, and training exchange programs. The Subcommittee had expressed concern about an apparent proliferation of such exchange and training programs and had requested that we: develop an inventory of these programs; provide information on potentially duplicative, overlapping, or fragmented programs; assess the extent of program coordination and oversight; and identify legal requirements which executive branch officials believe unduly inhibit their flexibility in responding to rapidly changing requirements.

To develop the inventory of programs, we used the U.S. Information Agency's (USIA) fiscal year 1990 report on federally funded international exchange and training activities as a baseline, but we updated the information to include programs established since 1990. We defined an exchange as the movement of persons between countries for educational, training, or cultural purposes. We excluded programs that did not involve the movement of persons. As a general rule, we attempted to include the programs we believe mainly benefit the participants. I would like to stress that the information presented today represents our preliminary observations based, to a large extent, on testimonial evidence which we have not attempted to corroborate. With that caveat, let me summarize the

results of our work to date and highlight our preliminary observations in your specific areas of interest.

#### SUMMARY

We included 16 agencies in our inventory, based on our definition of an exchange program. These 16 agencies reported spending about \$660 million for about 80 exchange or training programs for about 41,000 people in fiscal year 1992.

AID and USIA have the largest non military international training and exchange programs. AID, which specializes in technical training programs, trained about 14,000 participants in fiscal year 1992 at a cost of about \$330 million. USIA, which specializes in academic programs, had about 15,000 participants in fiscal year 1992 at a cost of about \$198 million. Other non defense agencies, such as the Department of Education, the Department of Health and Human Services, and the National Endowment for the Humanities, conduct a variety of academic, scientific, and professional exchanges.

The Department of Defense (DOD) conducts a variety of international exchange and training programs, but the largest is the International Military Education and Training Program. Under this program, foreign military and selected civilian personnel are trained in military skills and other defense-related subjects such

as defense resource management and human rights education. In fiscal year 1992, about 6,000 international students participated in the program at a cost of about \$44.5 million.

Appendix I shows an inventory of the 16 agencies' exchange programs including a description of the programs and their funding levels. We plan to provide the committee a more detailed analysis of this inventory in our report to you in the near future.

Recent legislation, including the Support for Eastern European

Democracy (SEED) Act, the Freedom Support Act, and the National

Security Education Act, has resulted in several new programs. This
has increased the potential for program duplication, overlap, and
fragmentation. Some of the officials involved in the management of
these programs acknowledge there is some duplication and overlap
but do not view this as a serious problem.

Although USIA has primary responsibility to provide policy guidance for U.S. government-funded international informational and exchange activities, its coordination and oversight efforts have been minimal. Moreover, most agencies with exchange programs have not conducted systematic, comprehensive evaluations of the effectiveness of these programs. The officials we met with generally described the laws authorizing the exchange programs as flexible enough to allow them to carry out their responsibilities with few restrictions. However, some officials complained that

certain provisions of the SEED legislation caused administrative problems. A few AID and USIA officials complained that Congressional earmarks sometimes lead to operational inefficiencies and decreased management flexibility.

#### POTENTIAL FOR PROGRAM DUPLICATION AND OVERLAP

According to some of the officials involved in program management, certain programs have the potential for duplication because they target the same categories of participants. For example, USIA, the Department of Education, and the National Endowment for the Humanities all provide grants for U.S. scholars, teachers, and graduate students to study abroad. In addition, both the National Security Scholarship Program, newly established in the Department of Defense, and the programs initiated under the recently enacted Freedom Support Act include exchanges of undergraduate students.

These officials also discussed what they consider to be an overlapping or blurring of the lines of responsibility between AID and USIA. They said that AID is becoming involved in programs that have traditionally been the responsibility of USIA, such as journalism and economics programs. USIA, in turn, is offering short technical "how to" programs in areas like agribusiness and business management, which AID has traditionally conducted. Both agencies are also conducting democratization programs in Eastern Europe and the new independent states of the former Soviet Union.

Officials and representatives we met with did not consider program duplication and overlap to be a problem. Some told us that although certain program activities may be similar, the purpose of the programs differs. For example, the purpose of USIA's Fulbright academic program is to promote mutual understanding and cooperation, while the purpose of the National Endowment for Humanities' academic exchange program is to advance education in the humanities. The agencies may take a different approach to similar programs or the programs may target different audiences. For example, an AID agribusiness program would train farmers, while a USIA program would be more academic in nature. Finally, some officials believe there is no duplication because the demand for the exchange programs is greater than the supply.

#### COORDINATION, OVERSIGHT, AND EVALUATION

Executive Order 12048 gives USIA the primary responsibility to provide policy guidance for international informational, educational, and cultural exchange activities, including exchange programs. In an effort to fulfill this requirement, USIA publishes an annual report listing all U.S. government international exchange and training programs. This report is neither timely nor complete. The most recent issue, which covers fiscal year 1990 activities, was published in October 1992. USIA relies on agencies that reported international programs in previous years as the source of information for the report. Using this methodology, USIA cannot

include the newer programs of other federal agencies. The agency does not conduct any additional formal coordination or oversight activities. USIA officials attributed its past problems in issuing a timely report to a lack of resources but said that the agency has been working to improve the report's timeliness. USIA expects to issue the 1991 report in May 1993, and plans to publish the 1992 report by the end of October 1993.

Opinions on the extent of coordination varied. Representatives of contractors and other non-government organizations involved in advising or managing exchange programs told us that coordination among the participating agencies is not adequate. representative believe USIA should do more than count existing programs. In contrast, USIA and other agency officials asserted that coordination has worked well, particularly on an informal basis. We found that coordination efforts varied in the field. Agency officials we met with generally expressed satisfaction with the level of in-country coordination. However, our related work on AID's judicial reform programs in Latin America showed that coordination was not effective if the ambassador did not make it a priority. USIA officials told us that the agency has not taken a more active coordinating role because it has no authority over other agencies. They explained that USIA initially attempted to have interagency coordinating meetings, but the other agencies did not cooperate.

Most of the 16 agencies we contacted do not conduct comprehensive evaluations that measure the impact or the effectiveness of their programs. Representatives of organizations we met with described a variety of qualitative evaluation efforts. For example, the contractor and grantee organizations require participants to provide reports evaluating their experiences. AID missions may conduct mission or area-specific reviews. The Fulbright Foreign Scholarship Board commissioned a book on the first 40 years of the Fulbright Program. An official from the Board said the book could be considered a form of evaluation. In addition, the Council for International Exchange of Scholars has conducted informal qualitative studies of the Fulbright Program.

Representatives of contractors and other non-government organizations involved in advising or managing exchange programs expressed a need for more evaluation. AID officials told us AID plans to increase its evaluation efforts. In response to recommendations of the Fulbright Board, USIA has also agreed to conduct more evaluations, according to a Board official. In our 1990 report on the IMET program, we recommended that DOD and State develop a mechanism to measure the effectiveness of that program. Since that time, DOD and State have taken steps to establish a measurement system.

#### STATUTORY LIMITS ON AGENCY FLEXIBILITY

Although most officials we met with considered the legislation authorizing their exchange and training programs as flexible, some cited difficulties with the SEED Program and with congressional earmarks. Some federal agencies participating in the SEED Program receive foreign assistance appropriations through AID rather than directly. According to several officials, the transfer of funds has been delayed as a result. Regarding congressional earmarks, officials remarked that new programs specified in laws were frequently authorized without an increase in the administrative budget or staff needed to manage the programs.

A few representatives of non-government organizations told us that earmarks sometimes have resulted in administrative problems. A USIA official stated that earmarks that target students from specific countries such as the republics of the former Soviet Union cause problems when there is no infrastructure in those countries to help manage the programs. Another complaint was that the earmarks limited management flexibility. An AID official stated, for example, that an earmark which specified the contractor organization prevented the agency from using the competitive bidding process to select the most cost effective contractor. He claimed the legislation also limited management's ability to make changes that might improve the program.

This concludes my prepared remarks. I will be happy to respond to any questions.

## DESCRIPTIONS OF U.S.-FUNDED INTERNATIONAL EXCHANGE AND TRAINING PROGRAMS

#### AGENCY FOR INTERNATIONAL DEVELOPMENT

Program
Thomas Jefferson Fellowship
Program

Description
Assists in upgrading the educational and human resources of less developed countries which are assisted by AID programs, with a concentration on skills related to economic development.

FY 1992 FUNDING AND PARTICIPANTS:
participants.

Participant Training Program Europe

Equips leaders and professionals in Eastern European countries with specialized skills and practical knowledge in order to develop and support democratic processes, free enterprise, economics and an improved quality of life in the region. FY 1992 FUNDING AND PARTICIPANTS: \$500,000, 98 participants.

Regional Human Resources Program Provides scholarships for rural leaders and teachers from agro-technical schools to study in the United States so they can contribute to the promotion of market-based economies in their communities.

PARTICIPANTS:

participants.

Participants.

#### DEPARTMENT OF AGRICULTURE

<u>Program</u> Research and Scientific Exchange Program <u>Description</u>
Provides short- and long-term
collaborative research opportunities
to scientific and technical personnel
for the mutual benefit of U.S. and

This inventory includes exchange programs that were either wholly or partially funded by the U.S. government. In some cases, the agencies could not separate sources of funding.

benefit of U.S. and overseas
participants. FY 1992 FUNDING AND
PARTICIPANTS:
participants. \$675,000, 220

#### DEPARTMENT OF COMMERCE

Program
Exchange Visitor Program

Description
Provides foreign scientists with
opportunities for observation and
consultation at the National
Institute of Standards and Technology
and at other related scientific
research institutions. FY 1992
FUNDING AND PARTICIPANTS: \$2.9
million, 199 participants.

Special American Business Internship Training Program Awards internships in U.S. firms to business managers and scientific workers from the newly independent states of the former Soviet Union. FY 1992-95 FUNDING AND PARTICIPANTS: \$2 million, 8 participants.

#### DEPARTMENT OF DEFENSE

Program
International Military
Education and Training
Program

Description
Provides training and education to
foreign military and civilian
personnel on a grant basis. FY 1992
FUNDING AND PARTICIPANTS: \$44.5
million, 6,000 participants.

National Security Education Program

Designed to increase the number of individuals knowledgeable about languages and cultures of foreign nations, especially those nations that have not traditionally been the focus of U.S. interest and study. FY 1992 FUNDING AND PARTICIPANTS: \$35 million, no participants (start-up activities still under way).

Navy Exchange Science Program Provides an exchange of U.S. Navy civilian scientists and engineers with their foreign counterparts to expose them to new perspectives and research methods. FY 1992 FUNDING

AND PARTICIPANTS: \$300,000, 17

Professional Military Education Exchanges Foreign students attend U.S. military institutions and U.S. personnel attend the foreign country's counterpart institution/training program to help improve the professionalism and education of both U.S and foreign officers. FY 1992 FUNDING AND PARTICIPANTS: \$104,000, 3 participants (Air Force and Navy only; Army data not readily available).

U.S. Military Academies Exchanges Allows foreign students to attend U.S. service academies in an effort to encourage and improve military-to-military relationships and provide students a broader understanding of U.S. military techniques and structure. FY 1992 PARTICIPANTS: 114 participants (funding not available).

#### DEPARTMENT OF EDUCATION

<u>Program</u> Foreign Language and Area Studies Fellowship Program Description
Funds academic year and summer awards
for advanced students in foreign
language and either area or
international studies. FY 1992
FUNDING AND PARTICIPANTS: \$13
million, 1,000 participants.

Fulbright-Hays Group Projects Abroad Designed to contribute to the development and improvement of the study of modern foreign languages and area studies in the United States, and provide opportunities for American teachers, students, and faculty to study in foreign countries. FY 1992 FUNDING AND PARTICIPANTS: \$2.3 million, 630 participants.

Fulbright-Hays Doctoral Dissertation Research Abroad Designed to help develop academic specialists whose training and interests focus on those world areas

and foreign languages not widely included in the curricula of U.S. educational institutions, this program provides Ph.D. candidates fellowship opportunities to engage in full-time dissertation research abroad. FY 1992 FUNDING AND PARTICIPANTS: \$1.8 million, 74 participants.

Fulbright-Hays Faculty Research Abroad

Designed to help develop modern foreign language and area studies in U.S. higher educational institutions, this program enables faculty members to maintain expertise in specialized fields through support of research in the non Western areas of the world. FY 1992 FUNDING AND PARTICIPANTS: \$896,000, 26 participants.

Fulbright-Hays Seminars Abroad Designed to improve modern foreign language and area studies throughout the U.S. educational system by offering faculty and curriculum specialists short-term study seminars abroad on topics in the social sciences, the humanities, and foreign languages. FY 1992 FUNDING AND PARTICIPANTS: \$879,000, 134 participants.

#### DEPARTMENT OF HEALTH AND HUMAN SERVICES

Program
International Research
Fellowships

Description
Promotes collaborative biomedical
research between U.S. and foreign
scientists, this program offers
foreign scientists the opportunity,
early in their careers, to work with
senior scientists in U.S. research
institutions. FY 1992 FUNDING AND
PARTICIPANTS:
participants.

Senior International Fellowships

Provides a postdoctoral program for scientists in the health sciences and outstanding U.S. faculty members in mid-career to study overseas.  $\underline{FY}$ 

1992 FUNDING AND PARTICIPANTS: \$1.2 million, 48 participants.

Scholars-in-Residence

Enables eminent U.S. and foreign scientists to visit with the National Institutes of Health community and conduct studies in contemporary biomedicine and international health. FY 1992 FUNDING AND PARTICIPANTS: \$853,000, 27 participants.

National Research Service Awards Serves to broaden the scientific backgrounds of individual scientists and enable experienced scientists to make major changes in the direction of their research careers by offering U.S. postdoctoral scientists opportunities to pursue research in the U.S. or abroad. FY 1992 FUNDING AND PARTICIPANTS: \$614,000, 34 participants.

Visitor and Training Program Provides orientation, consultation, training, applied laboratory, public health, and other experiences to develop skills and techniques related to disease prevention and control. FY 1992 FUNDING AND PARTICIPANTS: \$500,000, 1,000 participants.

Individual Health Scientist Exchanges and Biomedical Research Exchange Programs Funds short-term exchange visits between biomedical and health scientists to collaborate on research in a broad range of areas, including AIDS, ophthalmology, molecular neurobiology, and cardiology. FY 1992 FUNDING AND PARTICIPANTS: \$154,000, 38 participants.

Visiting Program

Provides research learning experiences and opportunities to qualified foreign scientists to engage in research studies in alcohol and alcoholism. FY 1992 FUNDING AND PARTICIPANTS: \$144,000, 6 participants.

National Institutes of Health Postdoctoral Fellowship Funds a long-term exchange program through which biomedical and behavioral scientists in the U.S. and

France advance biomedical knowledge through cooperative efforts in areas of mutual interest. FY 1992 AND PARTICIPANTS: \$73,000, 14 participants.

#### INTER-AMERICAN FOUNDATION

Program Academic Fellowship Program

Description
Supports development practitioners, researchers, and scholars from the Caribbean, Latin America, and the United States in their attempt to provide practical solutions to development problems in Latin America and the Caribbean. FY 1992 FUNDING AND PARTICIPANTS: \$725,000, 45 participants.

#### DEPARTMENT OF THE INTERIOR

Program
U.S.-Russia Environmental
Agreement

Description
Designed to promote sound management and conservation of wildlife and natural resources through the reciprocal exchange of researchers, government officials, and scientists.

FY 1992 FUNDING AND PARTICIPANTS:
\$300,000, 123 participants.

U.S.-China Nature Conservation Protocol Seeks to promote sound management and conservation of wildlife and natural resources through the reciprocal exchange of researchers, government officials, and scientists. FY 1992 FUNDING AND PARTICIPANTS: \$110,000, 37 participants.

#### JAPAN-U.S. FRIENDSHIP COMMISSION

Program
Japan-U.S. Friendship
Commission Grants

<u>Description</u>
Provides grants to institutions and associations to support American studies in Japan, Japanese studies in the United States, exchange programs in the arts, policy-oriented research, and public affairs and

education. FY 1992 FUNDING AND PARTICIPANTS: \$2.7 million, 270 participants.

#### DEPARTMENT OF LABOR

Program
International Visitors Labor
Studies

Description
Supports observational, orientation, and training programs for foreign visitors. FY 1992 FUNDING AND PARTICIPANTS: \$810,000, 145 participants.

#### NATIONAL ENDOWMENT FOR THE ARTS

Program
U.S. Artists at
International Festivals and
Exhibitions

Description
Provides assistance to U.S.
performing artists invited to
international festivals abroad, and
supports U.S. representation at major
international visual art exhibitions.
FY 1992 FUNDING AND PARTICIPANTS:
\$1.2 million, 159 participants.

U.S.-Japan Artist Exchange

Provides opportunities for professional artists with limited or no prior experience in Japan to observe artistic developments in their fields of interest, meet counterparts, and pursue artistic growth. FY 1992 FUNDING AND PARTICIPANTS: \$500,000, 5 participants.

International Projects
Initiative

Supports U.S. arts organizations collaborating with counterparts abroad to develop or commission new work, promotes access in this country to little-known art forms, and deepens audience understanding of both the art forms and cultures involved. FY 1992 FUNDING AND PARTICIPANTS: \$320,000, 19 participants.

Travel Grants Program

Enables U.S. artists to explore significant artistic developments in their fields and deepen relationships

with artists and arts organizations in another country. FY 1992 FUNDING AND PARTICIPANTS: \$155,000, 50 participants.

U.S.-Mexico Artist Exchange

Enables artists to work on specific projects in Mexico to obtain inspiration from the knowledge and experience gained through international contact. FY 1992 FUNDING AND PARTICIPANTS: \$115,000, 20 participants.

British America Arts Association Fellowships Supports a residency opportunity for U.S. performing arts presenters to assist them in building links and gaining skills that can lead to future transatlantic collaborations. FY 1992 FUNDING AND PARTICIPANTS: \$60,000, 10 participants.

#### NATIONAL ENDOWMENT FOR THE HUMANITIES

Note: All National Endowment for the Humanities exchange programs may have an international exchange component, but it is not required as part of the program. Expenditures for some exchange programs are not included because the National Endowment for Humanities could not provide funding information on the international exchange components of the programs.

Program
Elementary and Secondary
Education in the Humanities

Description
Supports efforts to improve the teaching of the humanities in the nation's schools by engaging precollegiate educators with significant texts and topics and their application in the classroom. FY 1992 FUNDING AND PARTICIPANTS:

\$1.1 million, 179 participants.

Higher Education in the Humanities

Supports projects designed to enhance the curriculum or improve the quality of teaching in the humanities in American colleges and universities. FY 1992 PARTICIPANTS AND FUNDING: \$707,000, 110 participants.

NEH Teacher-Scholars

Provides grants to school teachers for an academic year of full-time independent study which may involve study and research abroad. FY 1992 FUNDING AND PARTICIPANTS: \$303,000, 11 participants.

Foreign Language Education

Supports efforts to improve the teaching of foreign languages in the nation's schools, colleges, and universities.

PARTICIPANTS:
participants.

\$185,000, 4

Travel to Collections

Offers grants to assist individual scholars to travel using research collections of libraries, archives, museums, or other repositories. FY 1992 PARTICIPANTS: 374 participants.

Interpretive Research

Supports basic research projects in the core disciplines of the humanities carried out by two or more scholars for periods of 1 to 3 years. FY 1992 PARTICIPANTS: 206 participants.

Summer Seminars for School Teachers School teachers, principals, and other educators from kindergarten through twelfth grade, along with selected foreign secondary teachers, engage in intensive study of basic humanities texts and documents and work closely with outstanding scholars for 4-6 weeks at colleges, universities, and other appropriate sites, some of which may be located in a foreign country. FY 1992 PARTICIPANTS: 97 participants.

International Research

Supports private efforts that offer U.S. scholars opportunities to travel abroad to conduct humanities research on foreign cultures. FY 1992 PARTICIPANTS: 88 participants.

Summer Stipends

Enables grant recipients to devote 2 consecutive months to humanities study and research. FY 1992 PARTICIPANTS: 88 participants.

Humanities Projects in Museums and Historical Organizations Supports interpretive exhibitions and related educational programs that encourage public understanding of significant works of art, historical events, and ideas. FY 1992
PARTICIPANTS: 70 participants.

Summer Seminars for College Teachers Provides teachers at undergraduate colleges and universities and other qualified individuals not affiliated with an academic institution opportunities to study at major research institutions with eminent scholars in their own or related fields. FY 1992 PARTICIPANTS: 52 participants.

Fellowship for College Teachers and Independent Scholars Offers research opportunities in the humanities for faculty members of colleges and universities that do not grant the Ph.D.; individuals employed by schools, museums, or libraries; and independent scholars and writers. FY 1992 PARTICIPANTS: 32 participants.

Humanities Projects in Media

Supports planning, writing, or production of television and radio programs in the humanities intended for general audiences. FY 1992 PARTICIPANTS: 31 participants.

Public Humanities Projects

Supports public symposiums, community forums, debates, interpretive pamphlets, and designs to increase public understanding of the humanities. FY 1992 PARTICIPANTS: 23 participants.

Centers for Advanced Study

Awards block fellowship grants that support interrelated research efforts in well-defined subject areas at centers for advanced study that are financed and directed independently of institutions of higher education.

FY 1992 PARTICIPANTS: 20
participants.

Fellowship for University

Offers faculty members of Ph.D.-

Teachers

granting universities the opportunity to undertake 6 to 12 months of full-time independent study and research in the humanities. FY 1992
PARTICIPANTS: 13 participants.

Humanities Projects in Libraries and Archives Supports projects to enhance public appreciation and understanding of the humanities through the use of books and other resources in collections of U.S. libraries and archives. FY 1992 PARTICIPANTS: 9 participants.

#### NATIONAL SCIENCE FOUNDATION

Program Summer Institute in Japan Description
Funds a short-term exchange program in which U.S. graduate students travel to Japan to exchange scientific information at Japanese universities, businesses, and central government laboratories.
FUNDING AND PARTICIPANTS:
58 participants.

U.S.-India Exchange of Scientists

Funds a short-term reciprocal exchange program of U.S. and Indian scientists in which they exchange scientific information. FY 1992 FUNDING AND PARTICIPANTS: \$162,000, 45 participants.

#### SMITHSONIAN INSTITUTION

Program
Bureau of Appointments

Description
Supports internships and research in any Smithsonian Institution field of study. FY 1992 FUNDING AND PARTICIPANTS: \$1.2 million, 89 participants.

Fellowship Program

Supports dissertation research for students working on their doctorates in various fields of study and research by postdoctoral scholars. FY 1992 FUNDING AND PARTICIPANTS: \$930,000, 89 participants.

Short-Term Visitor Program

Supports independent researchers' travel to the Smithsonian to use collections and consult with research staff in any field of interest to the Smithsonian.

PARTICIPANTS:

participants.

Wildlife Conservation and Management Training Provides training in conservation of biology, wildlife management, zoo biology, and environmental education to citizens of developing countries. FY 1992 FUNDING AND PARTICIPANTS: \$210,000, 75 participants.

#### DEPARTMENT OF STATE

Program Russian, Eurasian, and Eastern European Studies Program Description
Increases the number of U.S. experts on Russia, Eurasia, and Eastern Europe by sponsoring advanced research, graduate and language training, public dissemination of research, and contact and collaboration among government and private specialists. FY 1992 FUNDING AND PARTICIPANTS: \$10 million, 1,500 participants.

#### U.S. INFORMATION AGENCY

Program Fulbright Academic Program Description
Gives grants to U.S. students,
teachers, and scholars to study,
teach, lecture and conduct research
overseas, and to foreign nationals to
engage in similar activities in the
U.S. to increase mutual understanding
and peaceful relations between the
people of the United States and the
people of other countries. FY 1992
FUNDING AND PARTICIPANTS: \$108
million, 5,000 participants.

International Visitors Program

Arranges programs for foreign leaders and potential leaders designed to develop and foster professional contacts with their colleagues in the United States and provide a broader exposure to American social, cultural, and political institutions. FY 1992 FUNDING AND PARTICIPANTS: \$45 million, 2,854 participants.

Citizens Exchanges

Awards grants to U.S. nonprofit organizations to support projects that link their international exchange interests with counterpart institutions/groups in other countries. FY 1992 FUNDING AND PARTICIPANTS: \$21 million, 142 participants.

Hubert H. Humphrey Fellowship Provides opportunities for

Provides opportunities for accomplished mid-career professionals from developing countries to come to the United States for a year of study and related practical professional experiences.

FY 1992 FUNDING AND PARTICIPANTS:
participants.

Youth Programs

Awards grants to support international exchange programs involving U.S. and foreign youth ages 15 to 30. FY 1992 FUNDING AND PARTICIPANTS: \$4.5 million, 3,000 participants.

Fulbright Teacher Exchange

Enables classroom-to-classroom exchange of teaching assignments between U.S. teachers and counterpart teachers from selected countries worldwide. FY 1992 FUNDING AND PARTICIPANTS: \$3.1 million, 487 participants.

University Affiliations Program Supports partnerships between U.S. and foreign institutions of higher education in the humanities and social sciences. FY 1992 FUNDING AND PARTICIPANTS: \$2.2 million, 126 participants.

Performing Arts Exchanges

Enables U.S. professional artists and groups to perform music, dance, and theater overseas and explain their art before a wide variety of foreign

audiences. FY 1992 FUNDING AND PARTICIPANTS: \$1.6 million, 420 participants.

Study of the United States

Provides grants to foreign secondary school educators for a 4- to 6- week program of academic workshops in U.S. history, culture, and institutions to enhance and update the content of what is taught about the United States abroad. FY 1992 FUNDING AND PARTICIPANTS: \$1.4 million, 193 participants.

Academic Specialist Program

Awards grants to experts on the United States to consult with academic and professionals at foreign educational or other relevant institutions about specific issues, or to conduct seminars/workshops for professional personnel. FY 1992 FUNDING AND PARTICIPANTS: \$1.3 million, 465 participants.

U.S. Speakers

Sends U.S. experts in various fields overseas to speak to various audiences for periods of up to 10 days (up to 6 months in Eastern Europe). FY 1992 FUNDING AND FY 1991 PARTICIPANTS: \$1.1 million, 517 participants (FY 1992 participants not available).

Media Training Program

Provides training to foreign media personnel on management, news writing, reporting, production, sales, management, and global issues. FY 1992 FUNDING AND PARTICIPANTS: \$1 million, 1,000 participants.

Art America Program

Co-sponsors privately organized exhibition tours, performing arts presentations and visits abroad by expert arts practitioners. FY 1992 FUNDING AND PARTICIPANTS: \$919,000, 155 participants.

Library Fellows Program

Places U.S. library professionals in institutions overseas to: increase international understanding through

the establishment of professional and personal relationships and the accomplishment of mutual goals; promote international sharing of resources; and increase access to U.S. materials in the host country. FY 1992 FUNDING AND PARTICIPANTS: \$506,000, 18 participants.

English Teaching Fellow

Increases the American presence, enhance the American cultural component, and help improve academic standards at Binational Centers and other overseas English teaching FY 1992 FUNDING AND institutions. \$450,000, 19 PARTICIPANTS: participants.

American Cultural Specialists Allows arts practitioners to spend 2 to 6 weeks working with foreign colleagues conducting workshops or classes, directing plays, rehearsing ballets, or advising on arts management to exchange ideas in the areas of creative and performing FY 1992 FUNDING AND arts. PARTICIPANTS: \$380,000, 80 participants.

Artistic Ambassadors

Enables classical musicians to perform before foreign audiences to expose them to the "new generation" of U.S. classical performers. 1992 FUNDING AND PARTICIPANTS: \$135,000, 9 participants.

Arts America Speakers

Allows arts practitioners to spend about 2 weeks giving lectures or participating in seminars or conferences overseas to exchange ideas in the areas of creative and performing arts. FY 1992 FUNDING AND PARTICIPANTS: \$97,000, 75 participants.

### Response to Rep. Snowe's Question Concerning the Congressional Earmark Establishing a Program at Georgetown University

A congressional earmark to AID's fiscal year 1990 appropriation. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990 - Public Law 101-167) provided that \$20 million be made available for the International Student Exchange Program (ISEP). It further provided that \$2 million of the funds be made available for technical training for the people of Poland and Hungary in skills which would foster the development of a market economy and the private sector, including training in management and agricultural extension. An earmark in fiscal year 1991 provided \$2 million and extended the program to students from Czechoslovakia. An earmark to the 1993 appropriation provided an additional \$3 million.

ISEP, established in 1979 by a congressional earmark, is based at Georgetown University. Under cooperative agreements with AID, Georgetown provides the administrative and financial structure to facilitate the exchange of students between participating U.S. institutions and institutions in foreign countries.

Because the Congress specified that the funds go to ISEP, AID was prevented from using the competitive bidding process to select a provider.

## QUESTIONS SUBMITTED TO DR. DUNN BY THE SUBCOMMITTEE ON INTERNATIONAL OPERATIONS ON THE FUTURE OF INTERNATIONAL EXCHANGES TUESDAY, MARCH 23, 1993

- Please comment further on restructuring of the senior levels of the Bureau of Educational and Cultural Affairs to allow it to focus adequately on the needs of academic exchanges.
- 2. Would you comment on the proliferation in exchange programs outside the USIA?
  - 3. Last year, USIA testified to a significant shift to "how to" exchange programs.
- Is this an appropriate mission for USIA, or should these types of programs be left to AID, the Peace Corps, or to the Departments whose specialized mission corresponds to the subject matter of the "how to program"?
- 4. Would you describe the types of programs which we ought to be thinking about to respond to new needs and opportunities in Africa, Asia and Latin America?
- 5. How can we respond to these needs and simultaneously respond to needs in Eastern Europe and the former Soviet Union?
  - Will we be forced to respond only partially in each case?
  - How can we identify the more important types of programs in each area?
- 6. What are the stringent mechanisms of accountability which you fear may diminish the program?
- 7. You mention the possibility of an endowment. What means can you suggest for making this a reality in a stringent budget situation?

Answers to questions submitted to Charles W. Dunn
By the Subcommittee on International Operations
From Hearing on
"The Future of International Exchanges"
Tuesday, March 23, 1993

The following are answers to questions submitted to Dr. Dunn in Chairman Berman's letter of April 2..

- 1. As indicated in my April 8 letter, I feel the appointment of a university president as the new USIA Director should benefit the Fulbright Program and provide the attention within the Agency which it deserves. I also felt the Agency would be better off by creating a separate bureau or a separate deputy associate director for the Fulbright Program, under whose responsibility there would be a consolidation of all past and future Congressional or other mandated academic exchange activities. This restructuring, which would come from existing personnel levels rather than new positions, would assist Congressional oversight as well as Fulbright Scholarship Board oversight.
- 2. The proliferation to which I referred in my written statement was to academic exchange programs mandated to USIA over the past few years by the Congress. They include academic exchanges under the Freedom Support Act, Support for Eastern European Democracy, the Edmund S. Muskie Fellowship Program, the President's University Student Exchange (1,000/1,000), Samantha Smith Memorial Exchange, and special academic programs in East Asia (Tibet, Burma, Vietnam). See also the enclosed article on the Fulbright Program, April 14 issue, Chronicle of Higher Education.
- 3) The shift to "how to" exchange programs, noted last year by USIA, was in my opinion a reflection of the fact that neither the administration nor the Congress was prepared to undertake any large-scale AID program or Marshall Plan for Eastern Europe and the former Soviet Republics. There was neither the time, the inclination, the resources, or allied suport, so the bandaid of "how to" exchanges was applied, along with the early deployment of the Peace Corps, and steped-up AID resources. I believe USIA-administered exchange programs, some under the Fulbright Program, should continue to be a part of the package. They should not be at the expense of reducing Fulbright and other exchange activities elsewhere.

In rapidly implementing new exchanges such as the Edmund S. Muskie Fellowship Program, USIA demonstrated its capacity to quickly establish a grantee selection process, openly competitive, using independent agencies for screening and placement services.

A clearer identity of the Fulbright Scholarship Board's oversight responsibility for the Muskie Program would have been desirable since that program is carried out under the academic exchange provision of the Fulbright-Hays Act over which the Board has legislative authority.

4) To respond to new needs and opportunities in Africa, I would advocate increasing the number of foreign students coming to the United States under the Fulbright Program. Binational Fulbright Commissions should be established selectively in those countries in Africa where program expansion, political and economic stability, and our long-term national interests warrant.

For Asia, we should be building for the future expansion of exchanges with China and Indochina on a reciprocal basis with open access to their universities by American faculty and openly competitive grants for significant numbers of Chinese students.

We should also shore-up our traditional Fulbright exchange programs with the countries of the Pacific Rim, increasingly sharing costs equally with countries now flourishing with new-found prosperity.

In Latin America, the emphasis should be on increased communication via exchanges as the continent moves toward trilateral and multilateral political and economic groupings. The Fulbright Program is a logical cultural and educational partner in these initiatives.

5) I believe we can respond to these needs and simultaneously respond to needs in Eastern Europe and the former Soviet Union by annual increases in the Fulbright Program budget. We should build permanent long-term relationships now by establishing binational Fulbright Commissions in Russia and in other republics as program needs dictate. The new administration should place a priority on such an initiative. Funds for this purpose should be redirected from AID or other foreign affairs programs with a lesser priority.

This is not unlike efforts resulting in the establishing of new Filbright Commissions in Poland, Czechoslovakia, Romania and Buljuria in the past two years.

I would identify the establishing of binational Fulbright Commissions as one important priority in the countries or areas noted above and in my testimony. Program needs and future potential would dictate specific countries selected. Another priority is the strengthening of student advisory services in Eastern Europe and the newly independent states.

6) Binational administration and support for individual Fulbright Commission programs depend in part for their success on neither partner government throwing bureaucratic roadblocks in their way. The Commission's charter is the Executive Agreement. The Commission is fiscally accountable for its actions, but once funds have been allocated to the Commission, it, and not the American Embassy or the partner government's foreign ministry, is responsible for the management of its Fulbright Program. Commissions and partner host governments quickly become sensitive to Foreign Service or GAO inspectors, especially when they already have periodic audits by commercial auditors.

There are similar sensitivities if an overzealous USIS member or USIS chairman of a Fulbright Commission board begins making unilateral program decisions reserved to the full board

7) Establishing an endowment in a stringent budget situation is a challenge. I envisage a publicly and privately funded endowment served by a prestigious council dedicated to the spirit on which the Fulbright Program has built its reputation these past 47 years. I am uncertain as to where to look for a model. There are the national endowments for the arts and the humanities, the National Endowment for Democracy, the Smithsonian model and many others.

I recommend that the Subcommittee on International Operations firmly endorse the idea at this time and charge the Fulbright Scholarship Board to commission a study and report its findings and recommendations to the Congress and the President no later than next January. USIA would be requested to provide the Board with necessary logistical support. Having an endowment up and running to coincide with the 50th anniversary of the Fulbright Program in 1996 would be a historic achievement celebrated here and abroad.

I have asked Ewell Murphy, our Board Vice Chairman, to head a working group to begin exploring the endowment idea.

#### OUESTIONS SUBMITTED TO DR. APPLEBY BY THE SUBCOMMITTEE ON INTERNATIONAL OPERATIONS ON THE FUTURE OF INTERNATIONAL EXCHANGES

TUESDAY, MARCH 23, 1993

- 1. How exactly would the American Studies collections that you propose reflect the pluralism of American society?
- 2. Why is it important to U.S. prestige in the world to promote that pluralism, both in terms of how well it reflects on us and in terms of the positive example it offers to other complex societies?
- 3. If we were to fund the twelve year program according to its annual needs, the required annual appropriations would be relatively modest, and would diminish rather sharply after the sixth year.
- 4. What advantage would there be to appropriating the funds required for the entire project over the two year period of the next Foreign Relations Authorization Act?
  - What is the total that would be required for the twelve year period?
- 5. Would you elaborate on the reasons that a program based on donated books would not serve the fundamental purposes of the project or the larger national interests of the U.S.?
- 6. Would you comment on the relationship between the study by foreign students of American Studies and the fundamental purposes of U.S. public diplomacy?
  - For those purposes, what distinguishes American Studies from other subjects?

PERMITTY . DAVIN . JUNE . LONANCETES . RIVERSIDE . NANDIFICO . NANERANCISCO



SANTA BARBARA . SANTA CRUZ

April 9, 1993

DEPARTMENT OF HISTORY 405 HILGARD AVENUE LOS ANGELES, CALIFORNIA 90024-1473

Ms. Bernadette Jenkins Subcommittee on International Operations House Committee on Foreign Affairs Washington, D.C. 20515

Dear Ms. Jenkins.

Thank you for sending me the testimony. I have made a number of editorial changes to correct my syntax.

As for the submitted questions, I will answer them by number:

- 1. The diversity of the American population is represented in both the subject matter and the authorship of the scholarly works to be chosen for an American Studies College Library. One of the great strengths of social science reseearch in the United States is the breadth of interest expressed in ethnic studies as well as explorations of class, region and gender.
- 2. Almost every nation is a pluralistic nation yet few have a body of scholarship which directly addresses the meaning and significance of minority groups be they ideological, religious, racial or regional. The quality of American scholarship in this area reflects very highly our standards of research and interpretation. Our studies will also provide models of questions and researcy design for other countries.
- 3. Yes, that is correct.
- 4. Appropriating the funds for the entire project over the the next two years would guarantee the completion of program. This is particularly important in higher education because of the long term commitment which students must make to learn English well enough to take these courses. Any successful American Studies Library will require the active support of a host institution. Having the full funding for the core library and the five-year back-up detailed in the proposal will convince foreign universities of the seriousness of this enterprise.

the total amount for the 12-year period is \$4,425,000.



- 5. College courses depend upon a specific cluster of books. Assigned books and articles change with each class offered, instructors moving across time periods if they are historians or topics if they are social scientists. Donated book programs cannot possibly meet these curricular needs because they are randomly chosen, frequently out-of-date and rarely clustered around a contemporary scholarly theme.
- 6. The fundamental purposes of U.S. public diplomacy, I imagine, encompass interesting serious people in the history, institutions and current affairs of the United States, nurturing their interest with accurate and engaging studies of the U.S., and stimulating an informed support of American values and policies. American Studies College Libraries would contribute to all of these goals. Moreover, exchanges among teachers and students sharing a common body of knowledge would also foster attitudes of mutial respect, building good will ambassadors around the world.

American Studies encompasses literature, history, political science, economics, sociology, and communication studies. these are the disciplines that have created a mosaic of information about the United States - its people, its past, its government and its culture. Here curiosity about the United States, evident everywhere in the world, is satsified in a direct and lasting way. The high quality of this scholarly literature - distinguished by the writing, the material production of books and learned journals, the openness of the inquiries and the fascination of the topics - deepens an appreciation of America among its readers.

Yours sincerely,

Joyce Appleby
Professor of History

# WILLIAM FULLER'S RESPONSES TO QUESTIONS BY THE SUBCOMMITTEE ON INTERNATIONAL OPERATIONS ON THE FUTURE OF INTERNATIONAL EXCHANGES

THE FUTURE OF INTERNATIONAL EXCHANGES TUESDAY, MARCH 23, 1993

1. How can we design our educational and cultural exchanges to allow us to respond more adequately to the characteristics you note of new Asian elites, namely their pragmatism and lack of ideology and their diverse origins?

New Asian elites, although still staunchly nationalistic, are more pragmatic and open than their predecessors in looking at a range of potential models from the west and from within the region as well. At the same time, Asian leaders are being judged more on their performance rather than their ideology. The Foundation's exchanges are designed to help build the kinds of institutions and policies that lead to better performance. As a consequence, there is more openness and there are more opportunities for the Foundation to program in formerly sensitive areas.

The new Asian leadership is also more pluralistic, and the range of groups moving into leadership positions includes women, people from outside capital cities, nongovernmental organizations (NGOs), etc. Their diversity argues for specially tailored programs that take into account sensitivity to special interests and awareness of differing needs. For example, the Foundation enabled judges from five Pacific Island nations to meet with Navajo judges in New Mexico to discuss problems and strategies for reconciling customary law and the formal legal system -- a problem that both groups are struggling with. In the past, exchanges might not have reflected such diversity and awareness of common problems.

2. With the emergence of stronger private sectors and more active non-governmental organizations, should the emphasis of U.S. policy shift towards the facilitation of private contact and away from official initiative?

Private sector initiatives provide an important complement to official initiatives in advancing U.S. interests. Official initiatives can help to construct positive frameworks to facilitate both government and private contacts in sensitive areas such as security and trade relationships. For example, the Asian-Pacific Economic Conference (APEC) provides an intergovernmental forum that promotes economic links in the region. Within this framework, private initiatives such as the Pacific Economic Cooperation Council (PECC) complement official interest in improving economic cooperation. In this way, private organizations can build on government efforts and, through people-to-people contacts in

various fields, can further U.S. interests by providing additional depth and breadth to our bilateral and multilateral relationships in Asia.

- 3. How might we promote our interests in, and respond to the particular needs of, Asian countries such as India which have long and rich democratic traditions and intellectual sectors, but which appear to be experiencing a crisis of secularism or democracy?
- U.S. interests in Asia are clearly linked to the fate of the world's largest democracy. The end of the Cold War, the end of non-alignment as a viable policy for Indian foreign policy, the loss of Pakistan's strategic relevance to the U.S., and the recent implementation of economic liberalization policies by the Indian government (most notably the relaxation of trade restrictions and the full convertability of the rupee) are changing the U.S.-Indian bilateral relationship.

Commitment to economic reform has been demonstrated by the Indian government as well as by the Indian public. However, the pace and process of this reform is a matter of great debate within the country. At the same time, communalism and ethnic strife present real challenges to democracy in India today. Working to increase public participation and access to justice in addition to establishing effective mechanisms for dispute resolution are a few examples of how the U.S. could respond to the current needs in India. Militarily, India has a high profile within South Asia and is perceived as a power within Southeast Asia as well. Working on issues to strengthen regional organizations like SAARC, or encouraging regional cooperation on common issues like trade and the environment is another effective way of strengthening India's links to the region.

4. Would you give us an example of a case where advocating reform could interfere with government to government relations?

In times of international crisis, official American relations with foreign governments must necessarily focus on immediate objectives. During the 1991 Gulf War, for example, the United States sought cooperation from its Asian allies in two areas. First, the U.S. proposed to deploy some troops from Asian bases, through bi-lateral access agreements, which was done in Thailand. Second, the U.S. sought the endorsement of the international coalition by Asian countries with Muslim populations. The support of the coalition by Indonesia, with the largest Muslim population in East Asia (and, indeed, the world) proved to be central to this effort. During this time, a vocal call for the reform of either the Thai or the Indonesian governments by the USG would have raised nationalist hackles in Bangkok and Jakarta, and threatened unity of purpose and any resulting cooperation. During this period, however, The Asia Foundation was able to continue major programs to promote democracy in both Thailand and Indonesia, working with government as well as private organizations.

5. Would you give an example of a case where short-term diplomatic interests impede the pursuit of long-term goals?

As Asian countries democratize, official bi-lateral relations are becoming more complicated. In the past, relations between governments were confined to their respective executive branches. Asian legislatures, however, now claim an increasingly central role in the policymaking process. This was demonstrated by the role of the Philippines Senate in the base negotiations, and is seen on a more daily basis in bilateral trade relations. In 1989, for example, the U.S. Government strongly urged the Thai government to pass legislation to protect foreign copyrights, in light of serious violations to intellectual property rights. This created a climate in the official relationship that would have made it impossible for official U.S. aid to be used to promote the effectiveness and accountability of the Thai parliament in the democratization process. In that year, however, The Asia Foundation was the major source of foreign assistance to the Thai parliament, as well as to democratization in Thailand as a whole.

6. Is an organization like The Asia Foundation really free of the taint of official U.S. action, for purposes of how assistance to an NGO might be perceived?

Because of the Foundation's long record of support for Asian institutions, and the strong bipartisan support is has enjoyed over the years from Congress and the Department of State, most Asians perceive the Foundation as an autonomous organization representing the values and interests of the American people. This is bolstered by the Foundation's operating style which gives it a degree of flexibility and responsiveness that is sometimes difficult for official institutions to achieve. Because the Foundation is not tied to any particular political party or Administration, and because it takes a long-term view with regard to U.S.-Asian relations, our link to the U.S. government has not hindered our work, or our effectiveness in Asia. We have worked with the governments of every country in which we operate and with more than 800 NGOs over the last five years. Simply put, the source of the Foundation's funding has not been an issue with our grantees.

7. In addition to the funding that is appropriated to the Foundation, what resources are available to you? How could Congress help rationalize your access to other government funding?

In addition to its Congressional appropriation, the Foundation competes for USAID funds and raises private funds from foundations, corporations, and individuals. The Foundation's grantees also provide matching funding to further the impact of its grants. From time to time, the Foundation also raises funds in-country from non-American sources, and we are currently exploring the possibility of receiving such funds in Taiwan to help offset high operating costs there.

The Foundation provides a unique asset to the U.S. government's overall approach to U(S)-Asia relations. Because of its size and independent status, the Foundation is able to

work in areas that can often be too sensitive for official intervention. Also, as a private organization, we enjoy efficiencies that allow us to use funds more effectively than many official organizations. The Foundation's infrastructure -- field presence, experienced staff, broad access and range of contacts, grantmaking and monitoring procedures, reporting and evaluation systems, etc. -- are already in place and provide a cost effective means for building additional activities onto this existing framework should additional funding become available.

One way to increase the efficient use of funds the Foundation receives from other government sources would be to provide the Foundation a large block grant, perhaps through USAID, to be used for one program area that cuts across a number of countries. For example, the Foundation currently has individual democracy program agreements in ten different countries, and some countries have more than one active democracy grant at a time. In addition, we have a number of smaller individual grants that are funded out of the central Asia Democracy Program of AID-Washington. Each agreement requires separate negotiation, proposals, monitoring, compliance procedures, evaluation, etc. Moreover, each mission handles their democracy program differently which can create confusion on procedures and appropriate approaches. A single source of program funds would reduce some of these difficulties and provide a more efficient, effective use of government funds.

8. In what new places has the Foundation been asked to assist? What are your plans there?

Every year the Foundation receives far more requests for assistance than it can fill from countries where it currently has programs, as well as from new geographical areas. For example, in response to the challenges facing the Cambodian people and their leaders, the Foundation is working in the area of legal and judicial reforms and on democratic processes. For example, four indigenous human rights organizations received support to conduct grass-roots training activities across the country, and representatives of these NGOs participated in an observation tour to Thailand on human rights and citizen's action groups.

In Vietnam, the recent changes brought about by accelerating economic reform have opened up a range of possible areas for programming, which the Foundation has begun to explore. The Foundation's program in Vietnam has provided assistance in three areas: economic law and policy reform, financial sector development, and strengthening US-Vietnam relations. The government of Vietnam has recognized the importance of developing a legal system that is capable of defining, implementing, and enforcing a set of predictable rules to support its continuing economic development. The Foundation is working with the State I inance and Monetary Council in the development and coordination of long-range financial reform strategies. With the aim of improving Vietnamese understanding of United States, the Foundation has enabled the Acting Director and staff of the Americas Department of the Foreign Ministry to attend seminars and conferences in the U.S.

In the Russian Far East, our Representative based in Korea has lectured on American

law at Far Eastern State University as a guest of the university's Rector. We are also working to include the Russian Far East in a regional environmental network to build cooperative solutions to environmental problems facing Northeast Asia. This effort also includes Alaska.

The Foundation has received requests for funds for research and conferences from universities in India. Foundation funds have been used to support observation and study tours to India for grantees from other Asian nations. For example, the Foundation enabled members of the Bangladeshi parliament to study the operations of the Indian parliament. We've also received requests from Indians interested in attending conferences on a wide range of subjects. For example, the Foundation is currently supporting the participation of an Indian economist at a conference in the U.S. on economic liberalization in India and South Asia.

With the break-up of the Soviet Union, the Foundation has begun to explore program possibilities in the Central Asian Republics to see where we might be of assistance as these countries begin the transition to more open political and economic systems. We have made a fact-finding trip to the region and enabled a participant from Kazakhstan to attend a Foundation-supported conference for young leaders from Asia and the Pacific.

Even North Korea has begun to put out tentative feelers for books and assistance to allow North Koreans to participate in international conferences and begin to make contacts in the area of economic reform and international affairs. Such early contacts in a non-politicized atmosphere can help strengthen in-country support for reform. We have begun to lay the groundwork for such support and are ready to proceed should there be progress in U.S.-North Korea relations.

9. How would you describe your activities in Mongolia? What particular involvement have you had in the attempted restoration of elements of Mongolian culture such as religious institutions?

Since the Foundation began working in Mongolia three years ago, our activities thus far have focused on three broad areas: representative government, the law, and public participation. In all three areas, the Foundation's efforts are characterized by a three-pronged approach, emphasizing: substantive training; institutional and organizational support; and the supply of books and ideas.

In the area of representative government, the Foundation has worked to strengthen the institutional capabilities of the parliament through: training MPs and parliamentary staff in substantive areas of expertise; providing opportunities to discuss and observe alternative ways to organize the parliament so as to improve its efficiency and responsiveness; and supplying them with books and materials on law, government, and relevant policy areas. In prior years, the Foundation also provided assistance to the constitutional drafting process and the country's new election law.

In the legal field, the Foundation has worked to strengthen the rule of law by training legal professionals in substantive areas of law and western legal standards and practices, and supplying them with law-related publications. To this end, we have cooperated with a variety of legal institutions, such as the Ministry of Justice, the Supreme Court, and the law faculty of Mongolian National University.

In the area of public participation, the Foundation has supported a variety of nongovernment organizations. As Mongolia's democracy has matured, the number of NGOs has grown accordingly, as have the range of interests they are addressing. These interests include everything from increasing women's political participation, to government accountability, to environmental protection. Our support to them has included substantive training, organizational assistance, and the supply of books and materials.

To date, the Foundation has not directly supported any programs with the purpose of restoring elements of Mongolian culture and religion. However, during the next year we may support a conference to discuss traditional (nomadic) law and its relevance to the modern Mongolian economy.

10. Do your activities contribute to U.S. understanding of Asian countries?

Many of the Foundation's activities engage Asians and Americans in ways that enable Americans to gain a better understanding of Asian countries. Our Center for Asian Pacific Affairs (CAPA) promotes dialogue between Americans and Asians on policy issues of common concern. Through CAPA's programs, Asian leaders, policymakers, and scholars have an opportunity to discuss their positions on specific issues with their American counterparts.

Asian professionals also participate in Foundation-sponsored seminars, study tours, and professional attachments and fellowships in the United States. The American specialists who participate in these exchanges learn about the visitors' institutions as well as the environment surrounding the issue in the grantee's home country. This exposure to Asian views helps the Americans to develop a broader perspective for shared learning and understanding. Because of the high level of the American participants, this can have a positive impact on U.S. attitudes toward the issue being discussed. For example, a recent Foundation program on conflict resolution brought new perspectives to Asian and American mediators, including some of those involved in easing tensions in Los Angeles after the riots last year.

11. Do your activities promote understanding of the U.S., as well as contributing to the building of Asian institutions?

Foundation programs which contribute to U.S. understanding of Asia also serve to promote better understanding of the U.S. within the Asia-Pacific region. Our exchange programs, for example, bring Asians and Pacific Islanders to the U.S. to observe the

operations of institutions in such areas as representative government, the media, and the judicial system. Our grantees' discussions with American counterparts foster a better understanding of what the U.S. is about in general, and contribute to the acquisition of specialized knowledge by the grantees. CAPA's bilateral fora also provide opportunities for promoting understanding of the U.S. through the policy dialogue they promote among Asians, Pacific Islanders and Americans. The Foundation also brings a large number of American experts in different fields to Asia as project consultants.

### 12. How can the Foundation supplement more traditional exchange activities?

The Foundation's exchange programs form an integral component of our overall program strategy. They are designed to strengthen the institutions that are necessary for democratic performance, rather than providing educational exchange opportunities to individuals who do not have institutional affiliations. The Foundation's exchanges target individuals who are in positions to influence the further development of their institutions. In addition, the Foundation's field presence allows it to tap others not usually included in traditional exchange activities, for example, members of the Muslim community, women, advocacy groups, rural-based NGOs, etc.

Our exchanges are designed to encourage exchange of information and ideas and to stimulate dialogue on topics of common concern to Asians and Americans. By bringing our Asian grantees together with their American counterparts for clearly focused discussions, both parties are able to develop a better grasp of the other's concerns. The active involvement of both parties in the planning and development of the program assists this process.

Among the programming approaches the Foundation uses is a multi-country format that allows for more extended and intensive interaction between visitors and host country specialists. Particular attention is devoted to comparative programs, and opportunities to visit countries other than the U.S. where relevant. For example, Foundation grantees may observe parliamentary procedures in other Asian countries as well as Canada, or Australia, in addition to observing the U.S. Congressional system. Capitalizing on our presence in the Asia-Pacific region and the Foundation's extensive network of regional contacts, regional exchanges are encouraged to strengthen Asian-Pacific linkages and expand the breadth of contacts for the U.S.



### THE FUTURE OF INTERNATIONAL BROADCASTING

#### WEDNESDAY, MARCH 24, 1993

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEE ON INTERNATIONAL OPERATIONS,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:05 p.m., in room 2172, Rayburn House Office Building, Hon. Howard L. Berman

(chairman of the subcommittee) presiding.

Mr. BERMAN. I am happy to declare the beginning of the hearing of the Subcommittee on International Operations. Today's hearing is on the future of international broadcasting. It is the third of a series of hearings the subcommittee has held over the past year which address the current state and future organization of U.S. Government international broadcasting.

I will place my entire opening statement in the record and just

try to summarize.

I would like to point out that Congressman Porter may be arriving late, and we have this custom that even if someone is in the middle of a sentence—perhaps the most important sentence being uttered anywhere on the Hill today—if a congressman comes in, we will let him testify. So I hope you will understand that tremendous

tradition we have.

Let me just say initially that the question whether or not U.S. Government international broadcasting remains a worthwhile tax-payer investment in part depends on whether or not we ensure that our programming serves U.S. interests and reaches and appeals to an increasingly complex and evolving world audience. International political developments, major advances in broadcasting communications, as well as our own financial constraints require a complete review of the mission and structure of Voice of America, Radio Free Europe, Radio Liberty, along with our other broadcast services. This is the time for that review.

At the same time, it is appropriate to take note, as Congressman Porter will remark on that there is growing interest in new broadcasts to promote freedom in China and other Far East Asian countries. Given the limits on broadcast resources and the complex global technical and engineering considerations, the way to ensure the most effective service to Asia and other regions is to consider service expansion or reform within the context of our total broad-

casting requirement.

I have introduced legislation, H.R. 1376. Its intent is to provide a very broad, flexible outline for our broadcast services as we work

to restructure their mission and organization in the light of newly evolving global, political and technological developments in our own

budget realities.

The legislation does not seek to prejudge the outcome of the discussions over the merits of the different proposals that we are reviewing today, along with other options. It allows for independent broadcasting to Cuba, Asia and the countries of the former Warsaw Pact. It lays out substantive criteria for our broadcasts, however organized. The bill also provides a comprehensive framework within which to address, in its entirety, our international broadcasting operations.

Basically, I am quite open to all the different options being considered, and I come in with very little of a preconceived notion of what we should be doing at this particular time. The administration's initial budget proposals address in very limited ways about the notion of consolidation and the budget savings that can be achieved from that. There are also many of the other proposals that are out there, but I think I will bring my opening remarks to a halt at this point, and recognize my friend and colleague from Maine, the ranking member of the subcommittee.

[The prepared statement of Mr. Berman may be found in the ap-

pendix.]

Ms. SNOWE. Thank you, Mr. Chairman.

I want to express my appreciation to all of our witnesses here today. I know Ambassador Carlson has been before this committee on numerous occasions, and I would like to welcome you back, and

all of you here.

I think this is, obviously, a very important hearing. We are certainly going to have to focus on the future of international broadcasting services. As the chairman has mentioned, we have to look into questions related to the major developments that have occurred in the world with the end of the cold war, the rapid pace of technological changes, and we must also confront budget deficits and the crisis that we are facing with respect to fiscal realities.

Many will say that it is better to have one well-funded system as opposed to two inadequate-funded systems. Technological changes also dovetail with changes in listening habits throughout the world. In many regions of the world listening patterns are changing rapidly from high levels of short wave listenership during the cold war to virtually nonexistent levels today. While these changes vary greatly among different parts of the world, we are

going to have to look at the radios in a different light.

So, hopefully, our witnesses here today will be able to simplify some of the more complex issues that we will have to grapple with in this authorization and during the course of this year. I am very pleased to have four distinguished witnesses with us today to help us explore this quandary, because obviously it is going to be difficult. The radios were set up for an original purpose and with the end of the cold war many would argue that they have accomplished their mission. So what should the future hold for these two radios? Again, I am very pleased to have the four of you here today to present your views, and hopefully we will continue to have communication in the future as we begin to work on this issues specifically through legislation.

I just want to express my apologies up front. At 3, I have a meeting with the Attorney General, so I may have to leave, and hopefully I will get back.

Thank you.

Mr. BERMAN. Do any of the other members present at this time

have any opening statements or comments?

If not, I think we will begin with our witnesses. We do have a vote on. It's a 15-minute vote followed by a 5-minute vote, so let us see if we can continue until the last possible moment and then run over there.

Our first witness is Ambassador Richard Carlson. He is the president and chief executive officer of the Corporation for Public

Broadcasting.

Ambassador Carlson.

## STATEMENT OF RICHARD W. CARLSON, PRESIDENT AND CHIEF EXECUTIVE OFFICER, CORPORATION FOR PUBLIC BROADCASTING

Mr. CARLSON. Mr. Chairman, thank you very much. Ms Snowe, thank you, members of the subcommittee. I am grateful to have an opportunity to talk to you today about international broadcasting.

Parenthetically, I might mention, Mr. Berman, I read your legislation very carefully, and think it is a very, very smart and well-structured, and will serve the interests of both Americans and foreign audiences. We very much need this in international broadcasting.

ing.
Mr. BERMAN. And it reveals nothing.
Mr. CARLSON. My kind of legislation.

[Laughter.]

I would like to talk about the impressions that I have of the past. I was Director of the Voice of America for 5½ years. I was at USIA, of course, all of that time, plus a number of months otherwise when I was the spokesman for USIA. I presume to know something about the internal workings of both the U.S. Information Agency and the Voice of America. I would like to offer you some of my hopes for the future as regards international broadcasting. My vision of it is a future without U.S. broadcasting borders.

The United States has by far the largest international broadcasting system in the world. Between them, the Voice of America, Radio Free Europe, Radio Liberty, Worldnet Television and Radio Marti produce more than 2,000 hours of regional programming every week in about 55 languages. This vast network of radio transmitters and global satellites can literally place a signal in almost any point in the world, and has a weekly audience that num-

bers in the hundreds of millions.

International broadcasting has been an unqualified success story. To understand the present system, I think it is necessary to take

a look at the past.

Over the four decades of the cold war, the U.S. Government supported both Voice of America and RFE/RL. Their charge was to aggressively challenge Communist information monopolies in Eastern Europe and the former Soviet Union. Each of the services had its own mandate, each had its own budget, its own staff and its own technical facilities. Large duplicative bureaucracies were created in

Washington and Munich. Nonetheless, the investment was a very

wise one.

When Vaclay Havel made his trip to Washington after becoming president of Czechoslovakia, you will recall that he spoke on the Hill. Also he made a stop at the Voice of America on Independence Avenue to personally thank the journalists who had been broadcasting during those long dark years to his country.

I was standing there when he grasped the hands of the Czech

and Slovak service, as lined up in the lobby of the Voice of America building. They were people who were standing with tears in their eyes. And he said to them, "Without you, there would have been no revolution, without you, I would not be the President."

Not long after that Lech Walesa was in the United States. He was asked about the impact of Radio Free Europe and he said,

"Could there be an earth without a sun?"

I mention those things because we cannot underscore sufficiently how important those radios were to tens of millions of people, what

an intellectual lifeline they have been and continue to be.

Today, years after a peaceful global revolution driven in very large measure by information from the United States and the West, U.S. international broadcasting still labors under an inefficient cold war structure. We live in a world of 12-digit budget deficits and personal satellite dishes. Redundancy is an expensive relic of cold war that is over.

Let me offer an example: the Voice of America broadcasts currently in Russian every day to about 10 million people, many of them the same audiences listening to Radio Free Europe, Radio Liberty. There are 16 other languages in which the Voice of Amer-

ica, RFE/RL duplicate each other.

Technology and personal freedom have joined together to create an electronic marketplace that surpasses even the most fantastic

predictions of just 10 years ago.

Competition has replaced confrontation as the driving force in international broadcasting, and it is strikingly apparent that the current structure is not able to keep pace with dizzying changes in programming and technology.

The Clinton administration has recognized that international broadcasting is important to an activist foreign policy that has de-

mocracy building as its foundation.

I believe the recent proposal to consolidate all broadcasting under the U.S. Information Agency and to eliminate RFE/RL within 2 years will end up hurting, not helping, America's ability to compete in the marketplace of ideas in the world.

By retaining overseas radio and television as part of a sometimes top-heavy foreign affairs bureaucracy, broadcasting will continue to be subject to coercive battles over budget turf and policy.

Mr. BERMAN. Speaking of coercive battles over budget turfs and policy, we have to leave to vote. And so we are going to have to interrupt you in the middle. I am sorry to do it.

Mr. CARLSON. Not at all.

Mr. BERMAN. But we will be back in about 10 minutes.

[Recess.]

Mr. BERMAN. We will resume our hearing, and I believe the last words were turf and policy.

Mr. CARLSON. That was my intro to you, Mr. Congressman.

Mr. BERMAN. Were you finished? Mr. CARLSON. Yes.

Mr. Berman. Congressman Porter, would you like to testify? Mr. Porter. Thank you, Mr. Chairman, I would. Mr. Berman. Proceed. Good to have you here again. You are here to testify on your legislation regarding Radio Free Asia and a bill that you have been working on now for, I guess, well over a year; closer to 2 years almost.

Congressman Porter.

#### STATEMENT OF CONGRESSMAN JOHN EDWARD PORTER, A REPRESENTATIVE FROM THE STATE OF ILLINOIS

Mr. PORTER. Mr. Chairman, thank you very much for the oppor-

tunity to testify.

I introduced legislation on Radio Free China in the last Congress and in this Congress Mrs. Bentley and I joined forces to create a bill on Radio Free Asia that would cover China, Burma, North Korea, Cambodia, Laos, Vietnam, and Tibet. I am here to testify today on that bill and on its relationship to the BIB and any plans to make changes in all of the radios that the United States spon-

Do we need to impact this part of the world? Mr. Chairman, the record of Radio Liberty and Radio Free Europe, in helping to bring down the fall of Soviet domination and Soviet communism cannot be questioned. I believe that we ought to be impacting the remaining Communist enclaves in the world, notably, China, but also other countries in the region exactly the same way: beaming a message of truth, what is happening in their societies to the people of those countries, giving them hope and letting them understand where their countries are in relation to the rest of the world.

People say, well, Communist China is modernizing, they are getting a freer economy. Will that not lead to free elections? Perhaps, hopefully, ultimately it will. Free economies led to free elections in Korea and Taiwan. The difficulty is, Mr. Chairman, that that took 30 years and 25 years, respectively. How many political prisoners may die in that period of time before they evolve into a free politi-

cal society, and hopefully prior to that time, a free economy.

In addition, the economy of China and other countries in the region is based upon slave labor. They are competing with U.S. businesses, creating a huge trade deficit with our country, I might add, by the use of slave labor; a country that has zero environmental laws. Is it in our interest to impact that situation and send a message that that is not acceptable in this world any longer, if it ever was, which it never was? Should the people of Burma know that in their society they have a Nobel winner in Daw Aung San Suu Kyi, as she is being held as a political prisoner in their jails by their repressing regime? Should the people of North Korea know that their country is actively attempting to build a nuclear bomb? Should the people of Cambodia and Laos be beamed the truth?

I think the answer to all those questions is yes. We need to be there. We need to tell them what is happening within their own societies, through their own people. We need to impact this part of

the world.

Can it be effective? China is today a fairly porous society. The radio messages can get in. Jamming cannot be effective even if they had the energy, which they do not have, to engage in massive

jamming. We can get through.

People say, well, we should not be doing radios because TV's are coming along and the Chinese will ultimately have TV's. Perhaps. In the meantime, they have 80 million shortwave radios in the country. We can get on those radios with information about what is happening within their own society. The United States has millions and millions of TV's, but radio is still a very important component of information in our country, as it will always be in these societies as well.

We can get information into the societies about what is happening within them: news of their own country, news of the relationship between their country and the outside world. We can change what is happening. We can influence the direction and we can pro-

vide hope.

Is the VOA already doing what Radio Free Asia would do? The answer to that is most emphatically no. They do different missions. The mission of the VOA is to tell the story of the United States. That is a very worthwhile thing to do. I support it very strongly. It ought to be funded very heavily. But it is not the same thing

that the Free Radios do at all.

The VOA is subject to U.S. control. Every administration has put its own stamp on USIA and the VOA, as they should. What is reported is in some degree known by what the administration wants reported. Secretary Baker, for example, told the VOA to stop calling Saddam Hussein a dictator at a certain point in time. It stopped. The Reagan administration did not want to talk about

Central America. It was not talked about.

That is not what free radios, however, should be or are about. The BIB provides a fire wall of protection, as it should, for the surrogate radios, so that the influence of the State, that is, the United States, cannot be used in the same way it would with a government agency. It has a measure, a strong measure, of independence and it is therefore a very, very credible instrument in the hands of people from the countries of origin broadcasting to their own people a message of news and truth that they would not otherwise get in societies where censorship and control of information is a part of their lives.

The VOA broadcasts substantially in China. That is true, 10 hours on the air. They broadcast in Mandarin. Eight to 10 minutes of that might be news, a minute or two might even be news on China, but that is different. It is a different mission. It is a different way of approaching an entirely different question. The real mission of the VOA is to tell the story of the United States. The real mission of the free radios is to tell the story of the home country, what is happening there and the truth about that society. It should not be and cannot be under the control, the direct control

of the U.S. Government.

What would it cost? Radio Free Asia would cost about \$30 million in startup costs. That is the estimate of both the VOA itself and the Presidential Commission. That, Mr. Chairman, is the cost of one F-16 aircraft, one FC-16 aircraft per year, because the cost

is also about \$30 million per year estimated is all that it would cost for us to impact all those societies of Asia with a message of truth.

Would we need new transmitters, Mr. Chairman? The answer to that is, no, we would not need new transmitters. There are adequate transmitters all around the region that we can lease. We have them ourselves in Alaska and Guam. The BBC just leased one in Thailand. There are transmitters in Siberia, in Kazakhstan. There is plenty of available capability that could be had at a very reasonable price and we would not need to build anything new.

Resources available? Well, we just shut down the idea of putting a new transmitter in Israel. I believe the cost there was estimated

at \$250 million, money we are not going to spend now.

Could we afford \$30 million? Can we afford \$30 million? I think the answer to that is absolutely yes. It is the best money we could

possibly spend.

Now, should the Radio Free Asia or the free radios be under the BIB? The answer to that, Mr. Chairman, is a very emphatic yes. It cannot be a part of the U.S. Government and subject to U.S. Government controls or it will not work as a surrogate radio. It cannot be and should not be an official voice of the United States. The VOA should be the official voice of the United States, should be under direct U.S. Government control. It has an entirely different mission.

The surrogate radios have to be a voice for truth and a voice for hope. If it was under the VOA or if it was under another agency of the U.S. Government, I think that arrangement would kill free

radios.

There also would be, I do not think, any savings involved in putting them all under one agency. Any savings at least that could not be achieved by sharing of information and technology that would not violate the independence of the free radios. Both the Commission on Broadcasting to the PRC and the Presidential Task Force both said create Radio Free Asia and be sure that you put it under the Board for International Broadcasting, and not under the control of VOA or another agency that would not have the independence that BIB has.

That, Mr. Chairman, is my message today. I would be happy to

answer any questions you might have.

Mr. BERMAN. Well, thank you very much, John. This is very in-

teresting testimony.

I might point out, in the effort to cancel the Israeli transmitter, there was also a proposal to construct a transmitter in Kuwait to broadcast in Central Asia. So we should not think of that as the pot of money.

Mr. PORTER. Well, Mr. Chairman, do you agree that we can find,

if we want to, \$30 million to pay for Radio Free Asia?

Mr. BERMAN. I do.

Mr. PORTER. I thought you did. Thank you.

Mr. BERMAN. Finding money has never been my problem. [Laughter.]

Saving it is. [Laughter.]

Spending money has never been my problem.

I am going to recognize Mr. Menendez first for questions to Mr. Porter.

Mr. MENENDEZ. I have none. Mr. BERMAN, Mr. Diaz-Balart,

Mr. DIAZ-BALART. None, Mr. Chairman.

Mr. BERMAN. Well, I have quite a few, but I think a lot of it we could discuss on the House floor some time.

We are struggling in all the radios with how to deal with all of this, and the legislation you referred to that I submitted was de-

signed to leave all options open. I hear what you are saying.

There is the question of control. For years Radio Free Europe, Radio Liberty were funded by the CIA. I believe it was—I do not know how much of a real secret that fact was at the time. It is obviously not a secret since I said it; but it has not been a secret for a long time. I do not think there were serious concerns among the listenership of those radios that the U.S. funding role automatically implied a kind of control which made those radios incredible. Those radios developed tremendous credibility by virtue of the research and the skills of the broadcasters, and the fact that they could draw from sources within those countries.

So is the problem one of control? If we establish a radio which we do not want to be the voice of American foreign policy, but a surrogate broadcasting for the closed countries of Asia that you have referred to, is the problem the perception of control and articulation of an outside American voice or is it the reality.

Mr. PORTER. Well, first of all, I think you have to look at the time during which CIA controlled the free radios. That was an entirely different time. It was in the coldest part of the cold war, and we evolved away from that into the BIB and its role as tensions were more relaxed and the chance of impacting were greater.

And I think that we are in more certainly in that phase today in our relationship with Asia than we are in any kind of a confrontational phase like we had with the Soviet Union early in

the cold war.

So I think that, yes, I think it is important that the surrogate radios be as independent as they can, as much controlled by nationals of the countries to which they are broadcasting, and that their credibility is a terribly important component of what they can accomplish. If they are perceived as simply a propaganda device at this point in the information technology of this world and it is spreading everywhere, including that part of Asia, it is widely available, then I think they lose the credibility to have the kind of impact that they could have otherwise.

Mr. BERMAN. Well, we will be in touch on this, and I very much appreciate your coming and your forceful testimony. I can assure you—my assumption is that there is a great deal of sympathy for Radio Free Asia on the committee and the belief that this is one of the highest priorities, and perhaps even a higher priority than

some of the existing services we now provide.

Mr. PORTER. Well, I think all of them are good. I support them all. I think that-

Mr. BERMAN. I did not mean specifically radio.

Mr. PORTER [continuing]. It is the best spent money we have, Mr. Chairman, really, and I commend it to you.

Thank you very much for listening. Mr. BERMAN. Thank you.

Ambassador Carlson, let us return to you, if we could.

I just advised my colleagues that I am going to skip this vote, which is on a motion to adjourn. I have already messed up my 100 percent voting record for the year fairly badly with last week's motion to adjourn. So if any of you want to go and just come back, we will just keep this rolling so we can get through it.

Ambassador Carlson, go ahead. Mr. CARLSON. Mr. Chairman, the last three things I mentioned were those that drive Washington: budget, turf and policy. I think

were the last three words that I issued.

The U.S international broadcasting structure, I believe, really ought to be changed. It should be consolidated in an organization that is devoted solely to broadcasting. Quality broadcasting is a full-time job. U.S. Information Agency, as you know, has responsibility for everything from American libraries to World's Fairs. In my opinion, it has neither the inclination nor the organizational temperament to guide international broadcasting in a new era. And I mention that in the context of my having been at USIA for 6

The U.S. Information Agency is an energetic outfit. It is staffed by professionals who are dedicated. Many of them were friends of mine-at least up until this testimony anyway. But it really adds

nothing to the art and the science of broadcasting.

With cultural and educational openings in dozens of newly free countries, the USIA should focus on the grassroots job of democ-

racy-building.

USIA ought to be encouraged to feel more positively about the important functions that they are engaged in. And I do not think that they are necessarily very positive about them. Those things are worthy and they're worth talking about, whether it is the Fulbright Program or the IV exchanges. They are wholly separate

from the Voice of America.

The honesty and the editorial integrity of the Voice of America is an internationally acknowledged fact. VOA has maintained that reputation in spite of, not because of, its affiliation with USIA and the government. Placing it together with a global television service along side of Radio Free Europe/Radio Liberty is, in my opinion, intellectually and economically and politically sound. Making a home for them in close proximity to public broadcasting in America is eminently sensible. The timing to do this is just right.

We have a new administration that does have the right temperament and the right interests to appreciate the remarkable possibili-

ties of joining new technology with the power of information.

For 25 years now, the Corporation for Public Broadcasting has supported, it has shielded, it has nurtured and, when necessary, it has goated public broadcasting to its present position as a national resource. I think that we should look at the remarkable success of public radio and public television in America. PBS, National Public Radio, American Public Radio, hundreds of local stations and independent producers at home. Imagine how constructively the intellectual payload that they deliver could be carried outside of the borders of the United States.

Given CPB's responsibility for international broadcasting, it is a logical extension of its public service mission. Public broadcasting in America is news and discussion, opinion, debate. It's history and theater. It's classical music. It is generally provocative, inspiring and educational. In many ways it is the best of American media, and there is no reason why it could not be exploited in an efficient

and economical way in 50 to 100 foreign languages.

Overseeing a unified international radio and television network, the Corporation for Public Broadcasting could transform foreign affairs tools that are quite varied into an international electronic Peace Corps. U.S. international broadcasting could, at the same time, sustain very high standards of accuracy, balance, timeliness and diversity, which I think is important to the broadcasting effort. What would the organization look like that I am proposing to

vou?

I recommend consolidating or bringing together the Voice of America, Radio Free Europe, Radio Liberty, Radio Marti and Worldnet into a new nongovernmental international broadcasting

service that could be under that auspices of the CPB.

I mention "could be" because my primary reason for being here is not to sell you so much on the CPB. I am the president of CPB. It is clear there is always a turf interest in saying the thing I am saying to you, but I think the primary idea—that is, that these out-fits are enormously successful, including public broadcasting, could work together in some reasonable concert is one that should not be set aside.

In many ways this proposal is similar to one put forward by Malcolm Forbes, who is Chairman of the Board of International Broad-

casting. I spoke with him on this subject yesterday.

He has suggested setting up a new umbrella organization. He and I are in agreement on this, I think, with the exception of where exactly it should repose, whether it should be a new organization or CPB. But we agree on two things.

The first is the removal of VOA from the U.S. Information Agen-

cy. It is a nonproductive relationship, and there is really no value

added to the Voice of America in its broadcasting whatsoever.

The second has to do with Radio Free Europe and Radio Liberty. It is my opinion that they should not be eliminated precipitously. The need for their services in many ways is as strong today as it was a few years back. The situation with Boris Yeltsin and the crisis in Russia is an example that is in hand at the moment. Three hundred million Russians and what they think and what they do are important to America and the West. They are bound to the European land mass, they are bound to Asia. Tens of millions of Russians depend on Radio Liberty for straight information about events in their own country, and they do that on a daily basis now.

Mr. BERMAN. Ambassador, let me just interject here. Your testimony is fascinating and very useful. But if you could summarize the remainder since we have four panelists, along with questions,

and we want to address them as well.

Mr. CARLSON. I would be pleased to do that. Let me go through

the rest of what I have to say in just a couple of minutes.

What I am saying to you is that in its entirety, I believe, that the functions of RFE and RL be examined very closely—that they be wound down where intelligence would say they ought to be. The duplication of language services between the Voice of American on

one hand and RFE/RL on the other ought to be each examined individually. There is no reason why broadcasts representing the West and Western ideas and America and news that is international could not be combined in some intelligent way with local news of the kind RFE/RL do as surrogates in vernacular languages. In America, if you live in Miami, you get news Miami, but you get news from New York and the rest of the world at the same time. Radio Liberty would offer "local news," VOA the rest.

The Corporation for Public Broadcasting could be an intelligent link between the government and international broadcasting. There is a logic to this. It is the role that CPB plays now with public broadcasting in the United States. On the one hand, it acts as a heat shield. It stands between politics and political pressure on one

hand, and broadcasters on the other hand.

I think we must pursue programming excellence, we must offer up to tens of millions of people abroad a picture of America that is different than Wheel of Fortune or Studs. This should be a very appealing idea. We have in the United States now the ability to do

"closed captioning" in television broadcasts.

I was up at WGBH in Boston recently. We fund the effort to allow hearing impaired and deaf Americans to be able to read on their television screens what it is that is taking place in an audio way that they cannot hear. It takes a considerable investment to do the kind of technical computer work to produce the closed captions on a documentary, for instance. But there is absolutely no reason why public broadcasting could not piggy back right on top of the closed captioning effort for international use in foreign languages. The computer work, and "training" has been done. Then, through satellite feeds overseas we could offer English-language programs with English-language audio, at the same time transmitting closed captions in the Cyrillic alphabet or in Arabic, or in any other language for that matter on a sideband.

I believe that the proximity of having all of these institutions with their own integrity intact, in proximity to each other, would offer an enormous savings, even in the short run. If you bring RFE/RL out of Munich where the Deutsche Mark has had such an enormous effect on the costs of running the radios, you would save \$100 million immediately. I think the budget for RFE/RL in 1994 is \$290 million, if we were paying in Deutsche Marks. In U.S. dollars, it would be \$147 million. There is \$103 million savings immediately. We would have to bring RFE/RL back to the United States from

abroad to do this.

I have talked to public broadcasters on this subject. There is an enormous enthusiasm for the idea of consolidating America's international broadcasters with their colleagues at home. Every public broadcaster I have spoken to—PBC, NPR, et cetera—all to one de-

gree or another are intrigued by this idea.

I talked yesterday with Doug Bennett, the very well respected head of National Public Radio. Doug Bennett said to me, I made a note on this, as long as the present independence of public radio is guaranteed, under an umbrella organization of any kind, then there are all sorts of wonderful opportunities here for America to bring its programming abroad.

Think what the combined talents of public broadcasting and international broadcasting could do. They could offer training. They could offer educative programs that are already produced to millions of people around the world. There would be little cost. The programs have been produced and paid for. We could all benefit from breaking down artificial and outdated barriers through the use of domestic broadcasting and sending it abroad. It is an idea that, I am convinced whose time has come. I am appreciative of you listening to my precis of the idea.

[The prepared statement of Mr. Carlson may be found in the ap-

Mr. BERMAN. Very interesting. Thank you very much.

Our next witness is Dr. Mary Bitterman. She is a private consultant on communications, international affairs, as well as a former director of the Voice of America. Someone told me that all five, or that at least five former directors of the Voice of America all agree on one issue: remove VOA from the USIA. We will find out if you are-

Ms. BITTERMAN. Well, you will find a unique view from Honolulu.

### STATEMENT OF DR. MARY G.F. BITTERMAN, PRIVATE CON-SULTANT ON COMMUNICATIONS AND INTERNATIONAL AF-FAIRS, AND FORMER DIRECTOR, VOICE OF AMERICA

Ms. BITTERMAN. Good afternoon, Mr. Chairman, and members of the committee. I am honored by your invitation and I will be exceedingly brief.

Mr. BERMAN. Your entire statement will be included in the

record.

Ms. BITTERMAN. Thank you. Thank you very much. It will make the time of preparation and the long travel all worthwhile.

I am going to focus, Mr. Chairman, just on a few points that I

have made in my testimony.

One is the proposal that has been put forward by a number of people here on the Hill and elsewhere to augment programming to Asia. I know Asia. We are the closest state in the United States to Asia. My position is that the most sensible thing and the most efficient and most cost-effective, which you have noted as high priorities of yours, would be to augment the programming to Asia of the Voice of America.

I want to correct a few misconceptions about the Voice of America, to which there is never anybody to respond. I am here to do

that because I think the record needs to be set straight.

One suggestion is that VOA's mission is only to tell the world about America. Over and over again, journalists who have a wide readership across America say that same thing, and in the last few days many of them have been trumpeting that assertion.

There is absolutely nothing in VOA's charter to preclude its coverage of in-country, regional, and international affairs. The Voice of America for 51 years has been broadcasting in-country, regional, and international news to the world.

During the pro-democracy demonstrations in Tienanmen Square in 1989, the radio that the world was listening to and the radio that the Chinese were listening to was the Voice of America.

A second suggestion, and I really think that the State Department should be awfully hurt by the things said about it, is that the Voice of America is dominated——

Mr. BERMAN. I found that the State Department has a very thick

skin. [Laughter.]

Ms. BITTERMAN. That somehow the Voice of America is dominated by the State Department, and the State Department is a nervous, little institution which does not like unflattering reports about foreign countries with which it wants to have good rela-

tions-China, for example.

A recent column by Mr. Wattenberg says it is only with an independent service that you can have a nonpropagandistic radio broadcasting to China about China by Chinese. I submit that the Chinese broadcasters at the Voice of America, who have been broadcasting in Chinese to China for a very long time, have done it splendidly—accurately and objectively within the context of the VOA charter.

Besides its mission to present the policies of the United States clearly and effectively, the Voice is required to serve as a consistently reliable and authoritative source of news. Insulation of news reporting from distorting political influences is not easy in any news organization, domestic or international. But the mechanisms of quarantine are in place for VOA, and in my experience its seasoned journalists have sought diligently to maintain the highest

standards of their profession.

There are critics who say that the VOA cannot call countries by interesting names, that it has to call China the People's Republic of China in conformity with State Department policy, rather than "Communist China." But that does not mean that VOA's news to mainland China or whatever else you want to call it is in any way compromised. It might be emotionally satisfying to have a surrogate service free to call the Chinese all sorts of names, but I do not think that satisfaction is worth the cost, not only the inevitable loss of credibility, but the substantial financial cost. Congressman Porter has already referred to the financial costs which we know well.

It should be remembered, I think, by this committee and everyone else that the surrogate radios, RFE/RL, are not and were not intended to be entirely independent. Federal law requires that their broadcasts be consistent with U.S. foreign policy, but it is a

long way from Washington to Munich.

Other people say the U.S. Government may want surrogate radios because it is unwilling to acknowledge its true position, and so it has surrogate radios say what it really wants said. The Commission on Broadcasting to the PRC reports, in fact, about the firewall that Congressman Porter mentioned, allowing Radio Free Europe and Radio Liberty to operate without the policy constraints which apply to VOA.

Now, whatever the appropriateness of that policy, there is little reason to think that anybody is fooled. Everybody in the world knows that we support RFE/RL. The thank you notes sent by Havel and Walesa were addressed to President Bush and members

of Congress, not the BIB.

In a recent article, former Ambassador Kirkpatrick actually complained that the VOA works from American perspectives and poli-

cies. As a remedy she proposed that VOA be moved out of the U.S. Government and—this I find incredible—given to an independent agency with its own priorities. Exactly whose priorities, if not American priorities, she does not say. Nor does she say why the American people would want to support an organization with priorities other than their own.

I think there will always be a national interest in whatever the surrogate radios do, whatever you call them and wherever you

place them.

The Presidential Task Force of 1991 on international broadcasting said that it saw, by the end of the decade, a single U.S. Government-funded international broadcaster, the Voice of America. It saw the winding down of Radio Free Europe and Radio Liberty.

I think any winding down has to be orchestrated very thoughtfully. I would hope that some of the savings realized could be put into research for VOA-we have seen how magnificent the research available to RFE/RL has been-to strengthen its correspondent

corps, and to expand its Asian programming.

Those who would be terribly unhappy about the loss of the surrogate radios should listen at least once to the Voice of America, whose broadcasts are outstanding. It is really unfortunate that too many of the people who criticize the Voice of America have never listened to a Voice broadcast.

The proposal to put VOA and the surrogate radios under the Corporation for Public Broadcasting is engaging. Many of my old colleagues in public broadcasting think it is great because it is the first fresh idea CPB has had for a long time. As Dick Carlson will

say, there were some difficult days at CPB, and I am glad he is there now.

The independence argument is no more compelling in the CPB context than in other contexts. The argument about saving money from the supplication of VOA and the surrogate radios evaporates if the radios were wound down. The synergy between CPB and VOA that has been suggested could not be realized without repeal of the Smith-Mundt Act and substantial change in the organization of public broadcasting. VOA and USIA are already in touch with and utilizing programs of public broadcasters. The suggestion that we copy the BBC, I think, is out of touch with reality. The BBC began in 1922; this is 1993. Its World Service was intended as an empire service, and the BBC is both a broadcast and a producing agency, which CPB is not.

The VOA has been part of USIA for 40 years. There have been difficulties and there have been frictions. The arrangement is by no means perfect. But if I keep in mind the chairman's dictate for economy and efficiency, I would improve what is in place rather than spend the time and money for a reorganization that would

serve no good purpose.

When the Voice of America first went to air in 1942, the first broadcaster said, "Here speaks a voice from America. We shall tell

you the truth."

Mr. Chairman and members of this honorable committee, whatever decisions you make on the future of international broadcasting and its administrative setting, I hope that these words will continue to guide us.

Thank you. And as we say in Hawaii, aloha and mahalo.

[The prepared statement of Ms. Bitterman may be found in the appendix.]

Mr. BERMAN. Well, thank you very much.

Our next witness is Stuart Brotman. He is the adjunct professor of international law at The Fletcher School of Law and Diplomacy, and Chairman of the International Communications Law Committee of the American Bar Association.

STATEMENT OF STUART N. BROTMAN, ADJUNCT PROFESSOR OF INTERNATIONAL LAW, THE FLETCHER SCHOOL OF LAW AND DIPLOMACY, TUFTS UNIVERSITY, AND CHAIRMAN OF THE INTERNATIONAL COMMUNICATIONS LAW COMMITTEE, AMERICAN BAR ASSOCIATION SECTION OF INTERNATIONAL LAW AND PRACTICE

Mr. Brotman. Thank you Mr. Chairman, and thank you, members of the committee. I, too, will try to keep my comments brief and will certainly welcome questions and be prepared to comment

on the comments of my fellow panelists.

Congressman Berman, the International Broadcasting Act of 1993 that you introduced last week in my view is a significant first step in reorienting the mission of the United States in international broadcasting for both the rest of the decade and into the Twenty-first Century. You acknowledge, and I think a generous reading of it would show that it is a broad mandate. I think it also brings some matters into sharp focus, as well.

First, it addresses the expansion of public diplomacy into Asia, which Congressman Porter eloquently spoke about. I agree that it is particularly important to continue promoting democracy in this

region.

Second, I think the Act speaks very well in terms of the importance of training and technical support that is necessary. It is particularly necessary to support indigenous broadcast operations in Eastern and Central Europe. These operations, if they are going to grow in their infancy, are going to need both human and financial resources of the United States to support them so that they will be able to sustain themselves over time.

Another important aspect of your Act is a recognition of the role of the marketplace. Technological and economic developments need to be taken into account so that we can determine who is serving the various audiences abroad and how well these audiences are or will be served by a mixture of private and public broadcasting enti-

ties.

Fourth, I think the Act also recognizes the potential usefulness of organizational realignment as well as greater flexibility in grant-

making authority.

I think, in view of the rapid changes in international broadcasting, legislation should not finalize any new organizational changes prematurely, only to find that the logic of them erodes as further technological, economic and political developments become apparent.

I think your legislation is a necessary component in this policy debate and for future policy formulation. It represents the required foundation for changing the established order. But I think another element is essential to complete the equation. An element that is equally important is for the United States to develop a strategy for international communications.

In light of the flexible framework embodied in the International Broadcasting Act of 1993, such a strategy should emphasize two

key elements.

First, agility. We have to be able to respond with flexibility to changing political and economic circumstances. Any strategy should also reflect technological realities: the realities of mixing publishing, radio and television broadcasting and advanced tele-

communications technologies.

Mass communications worldwide is moving toward multichannel and multimedia capabilities. The strategy of the United States should be to move from the highest point of technological departure in each country or region of the world rather than continue to emphasize shortwave radio transmission as the silver bullet for all parts of the world.

The word that seems to capture the essence of what I am talking about—this need for strategy—is the word "geodesic". Geodesic architectures are strong but flexible, modular rather than hierarchical. Any point in a geodesic network is connected to the others by many links. If one link is weak or is blocked, there are other routes through the network to keep lines of communications open.

The United States has built some important links in its global geodesic communications network. We now have the opportunity to build upon rather than simply replace these important connections to help sustain democracy around the world. I urge Congress and

the Clinton administration to capitalize on this opportunity.

Over time an approach that emphasizes a flexible legislative framework, a defined strategy and ultimately, enhanced organizational capabilities, would best serve our Nation's foreign policy interests. I think firming up this strategy and implementing it, much like reducing the budget deficit, cannot be accomplished overnight. We must have a transitional period for new organizations and budget priorities to take hold to ensure a necessary level of stability to audiences abroad, audiences that rely on our broadcasting services in varying degrees.

Some of the current debate, in my view, seems to be focusing too much on turf battles and cost cutting, and too little on the bigger

picture, the strategic direction we should be taking.

The International Broadcasting Act of 1993 can be viewed as a green light that many in the international communications community have been waiting for, a clear signal to begin the strategy development process. I think it is going to be a painful process of deciding how the United States should pursue its historic public diplomacy mission in an era when not just the rules of the game, but the game itself is changing.

Thank you.

[The prepared statement of Mr. Brotman may be found in the appendix.]

Mr. BERMAN. Well, thank you very much. It was very interesting

and I appreciate your coming before the subcommittee.

Our final witness today, before we proceed to questions, is Adrian Karatnycky. He is the Assistant to the president of the AFL-CIO.

Mr. Karatnycky, your entire statement will be included in the record. I heard a very, very short summary of your views on these issues at yesterday's hearing in the full Committee on Democracy Building, and I welcome you to the subcommittee, and invite you to proceed.

### STATEMENT OF ADRIAN KARATNYCKY, ASSISTANT TO THE PRESIDENT, AFL-CIO

Mr. KARATNYCKY. I am very happy to be here. I should say—Mr. BERMAN. I just ask if you could summarize your testimony. Mr. KARATNYCKY. Yes. Please be assured that this will be either a summary or a total divergence from my original paper.

Mr. BERMAN. All right.

Mr. KARATNYCKY. I would like to say that the AFL-CIO is something of a consumer in the radio services. We have missions and activities and programs with emerging democratic trade unions of a civil society in many of the target countries of Radio Free Europe and Radio Liberty, and of the Voice of America. I am also a consumer because I travel around with a shortwave radio, and speak Polish, Ukrainian and Russian, and so tune into these services, and speak to the people who are engaged in the building of civil society and of democratic institutions, and on a regular basis I travel there rather frequently.

I should say that in all of my contacts I make it a point to ask their views about the radio services, and I can say almost uniformly RFE/RL's broadcasts are judged to be much more necessary, much more essential to the democratic struggle than those of the

Voice of America.

Much has been said in earlier comments about the end of the cold war or economies and efficiencies. I think that the point of broadcasting ought to be democracy. The end of the cold war is not the end of America's mission to promote democratic values and civil society. In this regard, it is important to take a look at what the people that we are working with, that is to say, the independent trade union are up against in a place like Kazakhstan. I will give

you a brief example.

The Kazakh government has, just in the last 2 months, removed a director of radio and television for Karaganda, a former prison/camp city which is the center of a coal mining industry and the source of a small civil society developing independent institutions. Since that change in personnel all access to the airwaves has been cut for independent trade unions, human rights committees and community groups. Those people, unless they travel to the United States or unless a correspondent from the United States happens to pass through Karaganda, and writes about them and comes into contact with them, will be denied a voice if Radio Liberty is shut down. The VOA does not have the mechanisms and does not serve that community. It does not give a voice to these people.

In the last few years, with relaxations in the stringencies of the totalitarian system, RL and RFE have expanded. They have hired large numbers of broadcasters, indigenous broadcasters who rep-

resent an important source of alternative information. They've helped firm up and improve the media which are almost exclusively—not exclusively, but almost exclusively the broadcasting media are still in the hands of the state. The cutting off of RFE/RL or its transfer to the aegis of our government without the insulation of the Board for International Broadcasting or a similar board would dampen the cutting edge of that kind of broadcasting, would make it much more subject to the intrusiveness of embassies, which are skittish about offending government leaders and whose influence will certainly be heard. I can say that is the case with other agencies. We have experience with AID where our people, for example, are being denied the right to travel on AID money when it is deemed inappropriate by a program officer. It certainly would be the case with broadcasting, which would immediately call forth protests from local governments.

In grappling with all of this, Mr. Chairman, and your bill intends, of course, to open up this debate and to take a fresh look at how to refashion radio, I would argue that the home service approach and the insulation should be the two main facets of a new reshaped radio. In that regard, I would very much agree with Ambassador Carlson, although I am not sure what the proper locus of

that insulation ought to be.

But I would say that the Board of International Broadcasting has worked. It has created an active, vibrant, involved radio that acts as a source of—that helps improve the local media, helps provide necessary internal information about what is actually going on in that society, and gives voice to people who ordinarily would not be heard.

In this context, with the counterrevolution on in many of the East European settings, I would, and the AFL-CIO would strongly believe that it would be a terrible mistake to cut off or to limit the resources available for this kind of home service and surrogate broadcasting.

On the other hand, we would welcome the expansion of that concept, and the idea of this insulation through a presidentially or congressionally appointed, or however it can be worked out, a public board to provide that kind of engagement in the democratic proc-

ess.

In terms of economies, I would just like to make one point. There has been some talk about phasing out—shutting down the Israel project—and beginning one in Kuwait. It is, in our view, an abomination to locate a voice of democratic values and free speech in a country such as Kuwait. Discussions had been held earlier in Turkey, but they had been held before the collapse of the Soviet Union, and perhaps there had been some indications that the Turks were reluctant to locate a radio service or transmitting facility on its territory for that reason. Turkey has recently become much more engaged in television broadcasting into the newly freed Turkic Republics of the Soviet Union. I believe that that really ought to be revisited and the inertia of past discussions ought not to stand in the way of locating the transmitter in a much more appropriate venue.

Mr. Chairman, with due respect and great respect for your effort to open up this debate and discussion, the one point that concerns me in your legislation is that it is not entirely neutral, because it

does do away with the Board for International Broadcasting in its current configuration, and I do not think it—it is important not to prejudge whether that institution ought not to remain or ought to be refashioned. That is, by removing the one example of the insularity, the insulation of the fire wall, it may be giving government too free a hand in once again reabsorbing into the stifling bureaucratic atmosphere these important and free voices.

Thank you.

[The prepared statement of Mr. Karatnycky may be found in the appendix.1

Mr. BERMAN. Thank you.

To respond to that last comment, the problem was that we said not to be neutral that way if we did not do away with it. For the purpose of opening up the debate, what we essentially did was give all power to the president. We will then construct it from there. It was not intended to be a judgment one way or another on whether or not BIB should continue and what should be beneath it.

Well, this discussion has been very interesting and very lively, and there are many issues we will have to deal with within the next month or month and a half if we are going to address these

issues in our next Foreign Relations Authorization Act.

Before I ask my questions, I will introduce the subcommittee members. Please recognize my colleague from New Jersey, Mr.

Mr. MENENDEZ. Thank you, Mr. Chairman.

I have been listening to the discussion with interest. I would like to reserve my rights to ask questions maybe at a later time.

Mr. BERMAN. Thank you.

Mr. Diaz-Balart.

Mr. DIAZ-BALART. Thank you, Mr. Chairman. It has been a hectic day, as you know, but I have two questions. I am not really sure who to address them to. I guess to whoever would feel that they would like to answer or attempt to answer.

First of all, what is the problem with the transmitter in Israel? I mean, could somebody address that issue?

Mr. CARLSON. I am not at the Voice of America any longer, though I was familiar with it back when I was Director. I left there in July of 1991. And it was a joint project between the Voice of America and Radio Liberty and Radio Free Europe. It was designed to carry to Soviet, Central Asia primarily and other parts of that land mass vernacular broadcasts that had been weak or nonexistent in the past. It would also have strengthened Georgian and Russian and other of the Soviet languages.

It has been held up over the years in various ways. It would have been located in the Negev Desert. Environmentalists were prime in slowing down its construction. When the Soviet Union collapsed and the cold war ended, there was reevaluation as to the need for spending approximately \$250 million on that project.

Where it stands currently, I do not exactly know, I am in another line of work at the moment. I believe it is inert, in limbo.

Mr. BERMAN. As it stands, the money had been appropriated. This subcommittee inserted language that prohibits the administration from either building the transmitter or eliminating it until we have had a chance for review. That is one of the thingsMr. DIAZ-BALART. So it is in limbo.

Mr. BERMAN. It is in limbo. Mr. DIAZ-BALART. OK.

Mr. BERMAN. The new administration, though, decided to recommend to us that we not go ahead in the Negev, but build the transmitter in Kuwait, an issue has been addressed today. By and large, I think there is a general recognition that Central Asia, one of the primary objects of wherever this transmitter would be located, is also an area where there is a need for a stronger voice and a stronger signal.

Mr. DIAZ-BALART. So we will be looking at that. One more question, if I may, Mr. Chairman.

Could somebody enlighten me as to what progress, if any, has been made in the recently liberated countries toward the creation

of free press and media?

In other words, what, if any, progress has been made? You hear the argument that communism is gone in Europe and in Eurasia, and we do not need Radio Free Europe and Radio Liberty. So I guess, though, we have to see what progress has been made with regard to voices that inform objectively and independently in those recently liberated countries so that we can make a correct, hope-

fully correct decision.

Mr. CARLSON. Mr. Diaz-Balart, there is a widely varied media environment in various of East European countries, and certainly within the former Soviet Union presently. Radio Free Europe continues to broadcast to different of the Eastern European countries in their vernacular languages. The need for that surrogate broadcaster that bring them news of events in their own region differs from country to country significantly. Poland is enormously different than Hungary, which is different, of course, than Bulgaria.

The same applies in the 15 or so languages that come from the Voice of America and Radio Liberty into different parts of the Soviet Union. Without question, tens of millions of people in the former Soviet Union and in Eastern Europe are dependent presently on both the Voice of America and the Radios for reliable and

honest information.

It would be my argument that—setting aside for the moment the Voice of America, which I think is infinitely more effective than has been suggested by some here today—I agree with my confrere, Mary Bitterman, that the Voice does not receive the due that it ought to get sometimes. RFE/RL has definitely a great need. At least there ought to be a surrogate broadcaster like it in the areas

that are apparently being served.

I talked to Steve Forbes yesterday, as I mentioned. He came back from the Soviet Union this weekend. He told me that he spoke to Mr. Gorbachev on Saturday. Mr. Gorbachev said to him in relation to the Radio Liberty Russian broadcasts, that these ought to continue for another 10 years. He said we really need them here, I do not know about the 10 years, but I think that those broadcasts have got to continue. I suggest they should be more like a local news show with international news from the West earlier in the broadcast. That would be done by combining the forces to the extent that I have suggested with VOA.

Mr. BERMAN. Now that he is an outsider.

Mr. CARLSON. Not that he is an outsider, yes, easy for him to say.

He did actually ask the Chargé at the Embassy to please put

that in a cable and send it back to the State Department.

Mr. BERMAN. I was speaking about Mr. Ĝorbachev, not Mr. Forbes.

Mr. CARLSON. Yes, I understand. It was Mr. Gorbachev who asked the Chargé to do that.

Mr. BERMAN. Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman.

I would be remiss if I did not openly express my personal welcome to Ambassador Carlson.

Mr. CARLSON. Thank you, Mr. Faleomavaega. It is nice to see you

again.

Mr. FALEOMAVAEGA. And also Dr. Bitterman. Close neighbors out

there in the Pacific.

As you recall, Ambassador Carlson, I had raised this very issue about broadcasting the Voice of American in Asian countries about 3 years ago, and we had discussed the issue because there was not enough money to go around, and always on that situation, despite the fact that two-thirds of the world's population is out in that region, and because of the developments now happening, I am quite intrigued by your suggestion here that the Corporation of Public Broadcasting ought to be the centerfold of bringing every other broadcasting organization under it, which I thin has merit, and I will seriously consider that in terms of our further deliberations with the chairman and the proposed bill that he has now placed in the docket.

I am curious if, in your overall evaluation on how you may want to make this consolidation, that obviously regional issues come into play, and that it is not just Europe anymore, nor is it just Asia. You are talking about Africa, you are talking about Latin America. And I was wondering if you might want to expand your thoughts on this issue. That if the Corporation of Public Broadcasting is to become the central controlling authorizing organization for this effort, obviously it is to go worldwide, and that the perception is that not every part of the world is to be covered in this whole effort, if

I am correct in hearing your proposition this afternoon.

Mr. Carlson. Yes, that is basically correct, Mr. Faleomavaega. This is an idea. It is inchoate, I would be the first to say, but it is one that deserves to be noodled and thought about. That is what this committee will do. I hardly have the answers to the specifics of all of how this ought to be structured, but initially I think the existing organizations, that is, RFE/RL/VOA, some of USIA film and television should be together. I do not believe that Worldnet, which is really a video-conferencing service, and a very effective one ought to remain at USIA. It's not really television. All of the other entities ought to be transferred in toto, with current staff, current facilities and current resources, to a new corporation. It ought to be separate from the government. It does not have to be CPB certainly. Mr. Berman's legislation would preclude it from being BIB. So CPB is there and it is logical. It could do the job.

Mr. FALEOMAVAEGA. I appreciate the fact that he is very open about his legislation. It is not closed in any way and I think that is fantastic.

Mr. CARLSON. A major goal would be the integration of all of the

programming services.

Mr. BERMAN. It is easy to be open when you do not know what you want to do. [Laughter.]

Quite true.

Mr. CARLSON. The goal would be integrating all of these into a unified, single broadcasting structure. One that would eliminate present redundancy and duplication. What has been unavoidable in the past. It would combine elements of world news, U.S. news, news from the West with surrogate programming where it is appropriate. It certainly is appropriate in many parts of the world.

The Voice, of course, already does surrogate broadcasting to

Cuba, and very successfully at that.

Mr. FALEOMAVAEGA. I just have one question. I realize we can go

on, but my questions are limited.

Do you think we should continue to have CIA's input in this process?

Mr. CARLSON, CIA's input? In what respect are you referring to

this?

Mr. FALEOMAVAEGA. By way of broadcasting, putting a little slant in terms of what is in our strategic or economic interests.

How do you really measure the freedom in terms of our democratic values if it does not coincide with our foreign policies in that given region or that given country? I mean, how free are we really

serious about the whole effort in public broadcasting?

Mr. CARLSON. Well, I think we have to be deeply serious about it. During the years that I was at the Voice of America, neither the CIA nor the State Department nor USIA played any role in the selection, the editing, the writing or the dissemination of news and public affairs. The only policy involvement the U.S. Government had at the Voice of America when I was there, and I think it is true when Mary Bitterman was there, was in the formulation, and the vetting of editorials—editorials make up less than one-half percent of the VOA content.

I do not consider the CIA as a negative force, but there is no place for the CIA in this broadcasting effort. There is no experience in the recent past with CIA having any involvement, and there

ought not to be.

Ms. BITTERMAN. May I just add that the only role of the CIA in international broadcasting was to provide funding in their early years for Radio Free Europe and Radio Liberty. And, of course, there were various clandestine radios which only historians know about.

The other thing is that the government helps VOA to negotiate transmitter sites. But as Dick says, there is absolutely no involvement of State, USIA, the other agency, or whatever, in the pro-

gramming of the Voice of America.

And if I can take this opportunity to repeat a suggestion made in my written testimony: Although the editorials of the Voice of America are clearly separate from its news, they could be done much better. What we should have are sound bites from the President, the Secretary, distinguished Members of Congress and other government officials to explicate our foreign policy. Thank you.

Mr. CARLSON. May I add to that, Mr. Faleomavaega?

I agree with what Mary said to an extent. I happen to think that the editorials at the Voice of America are very well written, that they do offer an explication of foreign policy views held by a current administration to people abroad. They are not written to proselytize. But I must say that what she said is the best argument for separating USIA and the Voice, because the editorials may also be prepared by VOA, but they are vetted by USIA. There is nothing intrinsically wrong with that, but every problem that Congressman Porter referred to relative to interference with the Voice of America having to do with Saddam Hussein not being called a dictator or allegations over coverage of Central American policy, the two things that he cited—both were actually in reference to editorials that had nothing to do with VOA news. There was no influence from the State Department or any other agency on the coverage that was offered up of Central America—I was there during that period—none whatsoever. It was only the editorials, a minuscule portion of the broadcasts that involved the U.S. Information Agency and the State Department. I think very highly to the two of them, but they are not broadcasters. They ought to stay out of broadcasting.

Mr. FALEOMAVAEGA. Mr. Chairman, just one more question, and I want to express my fond aloha to Dr. Bitterman when she returns

to Hawaii

One question that members of the panel have had a chance to examine, the tenacity of the British Broadcasting Corporation and its efforts permeating just about every region of the world in terms of what they are advocating.

Is this what you have in mind, Dr. Carlson? Are there some defective portions at BBC that we may not want to duplicate in our

own efforts?

Mr. CARLSON. I think the BBC, for which I have grand respect, probably has a little bit more of an involvement at times with the government than would be popularly recognized, polling has demonstrated that one of the reasons the BBC world service has such a very large audience is that it is perceived as not having any connection with the British Government. And I think that by removing the Voice and putting it in another boat of flesh you could do something to take away the false perception that it is controlled, by a sitting administration, or by the whims and vagaries of someone who is interested at the moment in a foreign policy issue.

Making it more like the BBC—acknowledging that the BBC was started some 70 years ago, and is by nature going to be somewhat different—will nonetheless be useful to building credibility with an audience. It is the credibility of the BBC that brings it such a wide

and pervasive audience.

Mr. FALEOMAVAEGA. And I want to know, Mr. Chairman, that since the Gulf War and the advent of the CNN our friends in Europe and BBC have been very, very strong advocates of competing with CNN and the other networks that we have here in the country.

Ms. BITTERMAN. May I just add a point, Mr. Chairman, on that?

It is very interesting that the BBC World Service now has the BBC world television service, which is carried on ASIASAT, and has a significant influence in the Asian region.

The BBC has a character all of its own. It is a national domestic service plus an overseas service. It is very unlike our public broadcasting system, of which I have been a part for many years, and which consists of fiercely independent community-based public television and public radio stations across America with their own membership organizations, programming organizations, and even legislative lobbying organizations. What the Corporation for Public Broadcasting does is to provide a very helpful conveyance for the wisely allocated national support of public broadcasting, which now is about 14 percent of the total budget for public broadcasting in the country.

Mr. FALEOMAVAEGA, Thank you, Mr. Chairman. Mr. BERMAN. Well, thank you, Mr. Faleomavaega.

I will recognize myself for 5 minutes and then go around again. Before I get into some questions, let me just respond to some of

your statements and ask you to amplify them.

First, Ambassador Carlson, I would like you to make a little more clear to me-and I have not had a chance to study your written testimony, although I looked through it as you were testifying—why you think it is so important to get VOA out of USIA. I have heard you give one specific reason, that is you do not like them handling the editorials, although I thought the American way was if you owned it you handled the editorials. [Laughter.]

Mr. CARLSON. There is no question about that, and I do not necessarily dislike it, but it has created the difficulties that get expanded to form a perception of the Voice that does not square with what it really does. So from that perspective only the editorials are

Mr. BERMAN. But if you consolidate it into the Corporation for Public Broadcasting how does that effect the statutory mission of VOA to push the American position?

Are you saying that this pushing only occurs with the context of

the allowance of the editorials?

Mr. CARLSON. No, I am not, and I hope I have not misrepresented my views of the editorials. I did mention I think they are well presented and do serve a purpose. I think that there is a negative aspect to their being that ought to be looked at simply because

it affects some of the other product simply by association.

I believe that the Voice of America fulfills its function—and an important one it is, in a pro-democracy sense-by having built enormous credibility with audiences abroad. We did that by being straight and honest, within the context of human frailty. VOA does not take policy direction from any other arm of government, and they ought not to.

It would have been difficult, in my view, for Voice of America to broadcast to closed societies at the same time it was being responsive to the foreign policy desires of an administration on a regular basis. Big mistake. It would never end.

I had much experience with well-meaning officers abroad contacting me at the Voice to say that they were unhappy with the news story or they were unhappy with the idea that we might cover a certain subject. That comes with the territory, but you can never

succumb to the pressures.

Mr. Berman. At least on one level, though, that is the reason not to necessarily pull VOA out of USIA, because it has not made any difference whether it is in USIA or not. VOA has been operated quite professionally. You have 1 percent of the time with the editorials. The editorials are good, but they are done by the U.S. Government.

Mr. CARLSON. Sure.

Mr. BERMAN. Now you enter and operate as a radio station. You have obtained credibility because you report news and have good programming.

So why change it?

Mr. CARLSON. I think that there is a unanimous view among former Voice of America directors, with the exception of Mary Bitterman, that VOA must be elsewhere. Certainly, there is similarly unanimous view among the rank and file of the Voice of America that it ought to be independent from USIA. I think there is no value added in the relationship at all. There are negative as-

pects to it

The USIA regularly gives the impression on the Hill and to others that there is a synergistic relationship between the two organizations. I assure you, from looking at it from the inside—and I really have nothing to gain here other than my interest at CPB—that the unanimity comes from the experience with USIA. The Voice of America is a very convenient cash cow. It is very useful in arguments for budgeted increases. It offers up big money, quite justifiably.

I ran into a former deputy director of the Voice today who is currently with the administration. He asked that I not use his name. I told him what I was going to say today, and he said, "My God, you are so right. They just take YOA and they dangle it in front of Congress to get money. But then when they get the money they

will not give it to the Voice." That is really true.

The interesting broadcasting at USIA is limited simply to its public affairs value. This is because much of what USIA does is amorphous in the public's eye. People do not understand the important roles the public affairs officers have abroad. People understand broadcasting. So broadcasting is used to call attention to USIA. The Voice is a well known and respected institution. But it is in a separate building. To say that it would be expensive or difficult to remove it from USIA, and then to point to its having been there for 40 years, is a variance with the facts. The USIA does not have any normal intercourse—I use the word advisedly—with the Voice of America other than to do with editorials. There are no policy meetings wherein it is decided what the administrating view will be this week or how it will be expressed in the broadcasts. There is no such thing. The relationship between them is practically nonexistent except as I have mentioned.

Mr. BERMAN. Basically what you seem to be saying, from my point of view, is that there is no particular reason for VOA to be in the USIA, but rather that it is important to VOA itself, to be

removed from USIA.

Mr. CARLSON. In a way that is what I am saying. The foreign policy desires of USIA, however noble they are and however much I might agree wit them personally, do to interfere with the credibility-building operations of the Voice. I have a number of personal experiences with this. So has every Voice of America director. There are attempts to use-and sometimes misuse-the Voice for foreign policy reasons. The law protects the administration of the Voice from that. That is why there is a presidentially appointed, Senate-confirmed director of the Voice. I believe the law created that position to help keep VOA somewhat honest and in accord with the legal standards that governs it.

I feel that VOA would be infinitely more successful elsewhere, under an independent board that is interested in broadcasting, because, given the restrictions on the amount of money available, and given what I believe is a positive use of public broadcasting programs abroad in combination with Radio Free Europe and Radio Liberty, and the Voice of America, I believe that all would be infi-

nitely more successfully accomplished outside of USIA.

Mr. BERMAN. What you are really saying also, is that the best way to sell America is to let professional broadcasters use the best available technologies and state of the art, high-quality programming to broadcast, rather than push the official position or the for-eign policy of the United States. The Corporation for Public Broadcasting will not have within its bailiwick an agency whose mandate is to push official American foreign policy.
You are saying to do away with VOA because in the end America

is better served not by VOA's shutdown, but by just concentrating on high-quality broadcasting; being a replication, to some extent, of

what PBS does, only abroad.

Mr. CARLSON. I do not think it should be that. I think it should be more than that. I think the Voice of America has a definite function. It must bring America's story abroad. That story is not dictated by any administration. It is dictated by standard American journalistic tenets, and the past and established practices of VOA. Beyond that, VOA represents a panoply of what makes up America. This is clearly different than everything that is done with public broadcasting currently in the United States. But that is not to say that public broadcasting materials that come from the very grass roots of this country cannot be used effectively abroad to do what the Voice of America currently does. They can-and much more inexpensively.

Mary pointed out that public broadcasting is a wildly decentralized way of doing business. It is very appealing in an American way. Stations around the country make their own decisions as to what is run. Stations in South Dakota are responsive to the audiences in that particular geographic area. Public broadcasting has programming that is so representative of what America is all about. They have already been paid for and produced—they could be used on public broadcasting abroad. It could come from El

Cajon, California, or Nome, Alaska.

Mr. BERMAN. With royalties paid to the creators of this product. Mr. CARLSON. Of course, and the CPB is lined up in a wonderful way to facilitate that and to do it cheaply, Mr. Chairman. CPB is well-equipped to do something about arrangements between those

who own the rights and those who do not. I have put together a 24-hour-a-day television service that is made up of programs currently available in public broadcasting. They could be carried by satellite to almost every—any part of the world. The cost of paying the producers and the owners their fees for these—something that USIA has absolutely no success in achieving over the years, for whatever reason—would run about \$15 million a year, a little bit less. This service would offer the MacNeil/Lehrer, it would give Wall Street Week, it would give a series of documentaries, weather in targeted locations, "how-to" shows, solid cultural entertainment of a sophisticated, well-produced variety.

Mr. BERMAN. You cannot take Masterpiece Theater and claim

they are promoting American programs. [Laughter.]
Mr. CARLSON. Indeed, I regret to say you are right.

Mr. BERMAN. All right.

Mr. Diaz-Balart, or shall I just move along?

Mr. DIAZ-BALART. No, thank you.

Mr. BERMAN. All right.

Ms. BITTERMAN. Mr. Chairman, might I just add one word to Ambassador Carlson's response.

Mr. BERMAN. I was going to get to you now since they have

waived their time and I was going to ask you-

Ms. BITTERMAN. OK, sorry.

Mr. BERMAN [continuing]. The flip side of the coin. The notion of essentially phasing out the surrogate radios, bringing everything within the VOA, leaving the VOA within the USIA; let us look at

Asia for a second.

Let us assume for a second that George Bush is president and he does not want to disturb the trade relationship with China. Maybe he and the MFN bill is up, and he is trying to refine the system, while Voice of America/Asia Unit is hammering away with information about appealing to Chinese listeners about slave labor, human rights violations, about proliferation of nuclear and missile technology; a bash, bash, bash, accurate reporting of what is happening in China. To what extent does that undermine his ability to refine the issue as he handles China. Also, to what extent do the pressures become so great that a Voice of American located in the USIA with a director appointed by the president, conferred by the Senate, but serving at the pleasure of the president can no longer handle it, and that some insulation in areas without alternative media is really important. That independence becomes important in such a situation.

Ms. BITTERMAN. I think that things certainly became particularly difficult during President Bush's administration because of his close association with China—his having served there, his brother's

business interests, and so forth.

As to bashing, there are different kinds of radio and television programming. Explication of news and issues, as VOA has done in relation to the persecution of religious figures in China and all sorts of problems, need not be bashing, but can be done in a straightforward, this-is-the-news way.

I think if the President of the United States— Mr. BERMAN. Well, sometimes the truth is bashing.

Ms. BITTERMAN. Yes, but it can be histrionic or pretty straightforward.

Mr. BERMAN. I agree. I am assuming it is done professionally.

Ms. BITTERMAN, OK.

Mr. BERMAN. I did not mean to imply that.

Ms. BITTERMAN. OK. I guess what I hope, Congressman Berman, is that there can be a certain point in our country at which the President of the United States and this honorable body can function in such a way that the truth is the truth, and that broadcasters, whether they are with CNN or with the Voice of America.

can report the news honestly.

My own feeling is that in Asia—which I know well—the bamboo curtain has risen. There are so many people from so many different countries in and around discussing ideas, business deals, and educational exchanges that I think much of what we saw as appropriate in the 1950's and 1960's, would not be seen as a appropriate today, even in a country like Vietnam. Taiwan is investing more money than any other country in Vietnam. Mitterand just visited, and the French want to regain some status there. These societies are not closed in the way they once were, and I just think that we have to speak the truth and, hopefully, whoever is President of the United States will want to speak the truth as well.

The truth cannot be hidden, at least not for long. The notion that we can say or do things that nobody will know we are saying or doing is unrealistic. People all over the world know what we are

Mr. BERMAN. There are a group of congressmen who believe that some details about what happened in Central America were hidden from them during this very week, so you can still—
Ms. BITTERMAN. Maybe here and there, but not for long.

Mr. BERMAN. No.

Ms. BITTERMAN. Not for long.

Mr. BERMAN. I do not want to get into that issue. I will let Mr. Torricelli address that.

Did you have any remarks you wanted to make in response to

Ambassador Carlson's comments?

Ms. BITTERMAN. I just want to make the point that the history of the relation between the Voice of America and USIA has involved some tension. You have creative broadcasters on the one hand, and serious foreign service officers on the other, well trained in what they do. But I think that, since President Eisenhower founded USIA, the relationship in general has been a good one because the Director of the Agency and the Director of the Voice have usually respected each other.

I must say that during my time at the Voice, which was not as long as Dick's, but my time at the Voice working with Ambassador Reinhardt, the USIA Director, was a very special time. The Ambassador was a distinguished foreign service officer who had great respect for the mission and mandate of the Voice of America, and was always extremely observant of the distinction between USIA

I am sure if God were in the room, He could create a wonderful home for the Voice of America, but when I look at all of the places that are suggested, I do not see anything to be gained by taking it out of USIA and putting it some place else. USIA assists with transmitter agreements. USIA does research for the Voice, and it helps through its officers overseas with the placement of programs, which is very important since shortwave is not as popular now as it was before. I am afraid that USIA has come to be seen as a horrible apparatus of government, which I do not feel it is. It has foreign affairs expertise and language fluency on the part of its officers which you simply would not find in some private corporation such as CPB, for example, no matter how well-intentioned its directors.

The VOA is big, it is complicated, and it is sophisticated, and it certainly could not be handled by the current CPB board, which

has very little background in foreign affairs.

I just think if it's not "broke," don't fix it. I do not think it is broken very badly, and I would leave it the way it is and concentrate on more important things.

Thank you, Mr.Chairman.

Mr. CARLSON. Mr. Chairman, I do not want to rebut this, but may I just make one comment on this subject—

Mr. BERMAN. Yes.

Mr. CARLSON [continuing]. Simply because it is so important?

Mr. BERMAN. Yes.

Mr. CARLSON. I have offered my reasons why I think VOA ought to be removed so I will not go through that all again. I was at the Voice for almost 6 years, and Mary was there for 10 months 12 years ago. I do not mean that unkindly, but her relationship with John Reinhardt was very good. My relationship with one of the USIA directors was good. My relationship with another one was not. It was similar to the relationship almost everyone else in senior management at USIA at the time had with that director at that time. It was bad. It was enervating.

But that has nothing to do with my comments here. Sometimes these are tough relationships. It does not really make any difference. I do not want the implication being left that the reason I believe that the Voice should be removed was because of one USIA director. I do not think that at all. I have great respect for senior USIA officers, some of whom are sitting here today and many of whom I know. I just do not think the relationship between USIA

and VOA works at all.

Mary brought up "placement" of radio programs abroad. We speeded that up under the time I was at the Voice. It was and is very important in many parts of the world. We would take radio programs physically and carry them right to a local station in the local language and in the local area, and get them to put it on the air. Sometimes we'd do this with a series. Now that is done sometimes by USIA officers.

But in polling—and I have seen recent polls on this subject—of USIA public affairs officers abroad as to what they consider to be important duties that they have, that is very much at the end of

the list. This is small potatoes to them and a very tiny item.

Mr. BERMAN. What is?

Mr. Carlson. The placement of programming. Placement of programming is a very small part of what USIA officers do abroad. They represent the Ambassador, they deal with the local press,

they are very important in embassies. But bragging about the placement of radio programs is comparable to saying that fire departments rescue kittens in trees. They may do it, but it does not amount to very much at all. And in offering it up as an example of how important this relationship is suggests that that is the best you can do. VOA should be removed and put somewhere else.

Mr. BERMAN. Right. I would like perhaps Mr. Karatnycky and Ambassador Carlson to respond. I have some information from, I believe, a VOA employee that came through the transom essentially—not really, but thought I would make it dramatic.

Mr. CARLSON, I think I know that VOA employee. I was there for a long time. [Laughter.]

Please say hello for me.

Mr. BERMAN. All right. Essentially he says wait a second. BBC spends half as much money as we spend on our radios and has twice the listenership of VOA. While there are no accurate figures for RFE/RFL, he makes an assumption that due to overlap, even if you add that in, BBC would still be way ahead, spending one half as much. Some of these issues are artificial ones. And so he recommends consolidating the radios. You should not have to tune in to one station to get world and U.S. news and another station to get news about one's own country. Why can't the program manager for a particular country or region have that mix of information that I guess BBC has to some extent. So you consolidate the radio, and you have a program enters a country based on the mix that is ap-

propriate for the country.

But you consolidate the radio and television based on the media environment of the target country, not on the abilities of separate radio and television bureaucracies to compete for funds. Create no new broadcasting bureaucracies; successful international broadcasting requires the concentration of scarce transmitting and talent resources. If U.S. international broadcasting to Asia consists of two competing bureaucracies, effectiveness in this region will be diluted, but the cost will increase. Ensure autonomy. Most people listen to international radio to access news that is more comprehensive and credible than that from their own media. The U.S. Government cannot credibly be in the news business. That would almost support the notion of pulling it out of USIA, leaving BIB, creating a new agency, and inserting it in the Corporation for Public Broadcasting. To further the private sector, the U.S. Government should not compete with private ventures in international broadcasting. Achieve global capacity. The resources of U.S. international broadcasting are unevenly distributed, and not global enough in scope to accommodate the duplicated efforts of VOA and RFE/RL.

The United States' notion to a global transmitting capacity to respond to crises and dictators wherever and whenever they occur.

The United States' notion to respond to crises and dictators wherever they occur, and the notion of the divorced role of all this radio from U.S. policymakers sounds a little inconsistent to me.

Peruse the economies of placement. The best hope for reaching a large audience in many countries is to place short reports and program segments within the formats of successful television and radio statements in target countries. Because this involves less content, it may prove to be an economical form of international broad-

casting.

And finally, match broadcast priorities with audience needs. International broadcasting has always had and will always have its largest impact in countries where the domestic media are controlled and/or deficient.

Maybe first Mr. Brotman, and what he thinks of this kind of

analysis as a guideline for what to do?

Mr. Brotman. I really do not have a judgment on that.

Mr. BERMAN. OK. Yes, go ahead.

Mr. KARATNYCKY. Mr. Chairman, I think that there are a number of essentially worthwhile points in that anonymous contribution. The most important one is if there were some insularity, it need not be anonymous. But the point that I would like to make is that the surrogate and home service concept does produce higher ratings for RFE or RL in competition against the BBC services, because they have that network inside the country and they are reporting more hard-hitting news, and there is—well, you can argue about how reliable that is, but—

Mr. BERMAN. Is that empirically proved?

Mr. KARATNYCKY. That is through public opinion samplings conducted by independent Russian services which should not reflect a

bias, and measure both listening to both BBC and so on.

But what some of these surveys also point out is that RFE/RL delivers a more politically engaged listenership. In particular, the content of RFE/RL broadcasting has a higher quotient of information of a political rather than a cultural nature, I would say, about the United States or American cultural developments and so on. And often these pull-in listeners who are less politically active and so are less engaged in the processes of democratic transformation, so are not as essential to U.S. foreign policy interests in terms of the promotion of democracy and democratic values.

So here is an ideal mix that I see recommended in this anonymous suggestion: through the surrogate and home service, you are pulling in engaged listeners. On the other hand, the paradox of RFE/RL is that a lot of the people who are reporting—apart from the offices they have opened up in Eastern Europe—are based in

Munich, cut off from American values and American culture.

And, yes, through the surrogate and home service, you can pull in these more engaged and involved listeners, and then merge them with the U.S. content and the U.S. message and really come up with a coherent and very valuable unified service which I think

would be very competitive with the BBC.

On the other hand, you do need this insularity, because with all due respect, and again the invocation of USIA officers, those USIA officers who are trying to get air time are located, as far as I understand, in embassies, so the idea that this would be perceived by an independent broadcaster as neutral or would be perceived by the audience as a neutral intervention in the broadcasting of a particular country is unlikely to say the least.

lar country is unlikely to say the least.

I would argue: let us deliver this higher quality audience, or maybe larger audience, merge it in under some kind of an insular, independent board nominated or appointed perhaps by a combina-

tion of the Executive and the Legislative Branch.

Mr. CARLSON. Mr. Berman, I agree with much of what was put forth by your correspondent. It is a sophisticated—it reveals a sophisticated understanding of international broadcasting.

I take issue with the idea that the World Service of BBC has an audience that is demonstrably larger than the Voice of America. I have not been around the Voice in some time, but a year and a half ago the figures was probably about 120 million, exclusive of Chinese broadcasting which was impossible to fathom, but clearly enormous. It is clear, too, that Mandarin and Cantonese into China from the Voice of America had a wider audience by far than the BBC, even though the BBC has transmitters in Hong Kong which are very effective in reach.

Mr. BERMAN. Well, here is his exact quote, "U.S. spends about \$470 million per year on international broadcasting while Britain spends about \$230 million. BBC has a worldwide audience of 110

million, while the Voice of America has 55 million."

Mr. CARLSON. The Voice of America audience is about 120. Mr. BERMAN. "By the way, newsroom staff, BBC, 216; Voice of

America, 137." They are either paying less or-

Mr. CARLSON, I think in some measure they are. It is a confusing situation because the BBC internal broadcasting supplies intellectual materials and some of the overhead to the World Service because they are so tightly tied to their in-country BBC broadcasts. There is no way to compare BBC and VOA in this sense.

Mr. BERMAN. So they would need less staff?

Mr. CARLSON. They need less staff. Mr. BERMAN. They have got more staff.

Mr. CARLSON. It probably accounts for the disparity in funds. And also, of course, we pay U.S. Government wages, and the—not to get into that issue, but what the 3,000 employees of Voice or so are paid depends on the government's schedule. That is the largest single expenditure at VOA alongside the use of fuel for transmitters.

I am not here to defend the cost of the Voice of America, of course, but I must say that the idea of international public television ought to be one that should be considered on a 24-an-houra-day basis. It is consonant with what this person is saying, I

think.

Beyond that the idea of using Voice of America and RFE/RL in a television venue is a very positive one. It could be done easily. I think that using the vernacular language skills of VOA and RFE/ RL broadcasters to do TV, and then delivering these shows on a satellite in Hungarian, in Ukrainian is something that is very feasible, and much more so if they were all under the same umbrella.

I would like to comment, lastly, by saying that I am not suggesting that any large, new bureaucratic structure be created to control these elements of international broadcasting. If the CPB, for instance were used, or the BIB, I would anticipate a very small change in the size of the structure. CPB is very small as it is. I have 120 people on my staff.

Mr. BERMAN. What is BIB's size?

Mr. CARLSON. Well, it is less than that, but it is not very large. I do not know.

Mr. BERMAN. Ten?

Mr. CARLSON. Yes, it is a handful of people in Washington. About 3,000 are at the radios in Munich.

Mr. BERMAN. Fourteen people.

Mr. CARLSON. Fourteen. Well, they would have to expand somewhat if they had responsibility.

Mr. BERMAN. High level of delegation.

Mr. CARLSON. It would not create, anyway, a new, enlarged bu-

reaucracy.

Mr. BERMAN. All right. I gather there are no more questions of the witnesses, although I think we may want to get back to you as we put together legislation more informally. My last question is the point Mr. Brotman made regarding what we can make our most lasting contribution. Perhaps it can be helping these newly emerging democracies, the Republics of the former Soviet Union, develop independent broadcasting, and presumably printed media. indigenous sources.

How should that be done? Should that be done through this vehicle, or should that be done through AID, NED or USIA outside the radios and broadcasters? Does anyone have any thoughts about

that?

Mr. CARLSON. I think broadcasting is the most economical and one of the most effective ways to get to people's minds. And training is already available, both at RFE/RL and the Voice of America. Certainly there is much in public broadcasting. We have created hundreds of hours and material in how to build a democracy, how to hold a grassroots meeting, how to be involved in democratic politics.

Mr. BERMAN. How about how to proceed building a radio station

or a newspaper?

Mr. CARLSON. How to be an auto mechanic. How to run a newspaper, lessons in the standards of Western journalistic practices,

and how could it be applied to your country.

Voice of America has actually had over the years very successful training programs under its auspices for journalists from abroad, particularly in the last few years from the former Eastern Bloc. In the future, they will come from the former Soviet Union. Instructions in how to work tape equipment, how to gather news, and how not to be beholden to the government in the dissemination of that news. Broadcasting would be a very effective way, would it not, to bring pro-democracy kinds of information like that, coupled with other kinds of efforts.

Mr. BERMAN. Oh, broadcasting would be, but I am talking about how to set up the radio stations inside the countries, some of the things that Mr. Brotman testified to. In the end that is sort of the goal here. We really truly do not need surrogate radio and maybe not even a VOA that much, given our private organizations; if American and Western concepts, free speech, and other alternatives are available in every country. That's the goal, I assume.

Mr. CARLSON, It is.

Mr. KARATNYCKY. Mr. Chairman, I would reemphasize, though, one of the themes in yesterday's testimony, which was, I think, the more properly, government should assist in funding private, nongovernmental organizations to help reach out and establish those kinds of things, because in some sense it compromises those media. I mean, we hear a lot of talk about helping Yeltsin, but not helping him too much because of the Russian nationalists are calling him an "American poodle", or what have you, and I think that, similarly, media could be compromised if they were so closely linked to government institutions.

Mr. BERMAN. Ms. Bitterman.

Ms. BITTERMAN. Yes, Mr. Chairman.

When one looks back on the founding of USIA, Dwight Eisenhower talked about taking the views we share, especially those regarding progress and peace, and being able to communicate them effectively to others and assist in the realization of their aspirations.

I hope that our great republic and this honorable body, in looking at democracy building and the establishment of a free press, will put the responsibility in one place. In the work we do in Eastern Europe and Asia, there has been too much distribution of responsibility, with duplicative programs and, it seems to me, a good deal of wasted money. Too often, there is no clear sense of our efforts

on the part of the people we are trying to help.

I would hope that USIA, in cooperation, of course, with AID, NED, and relevant private organizations, would be given a leading role in democracy-building. As for journalist training, Mr. Berman, Harry Heintzen and other people at VOA have been engaged in it for many years. We have a VOA person, an old friend of mine, in Romania right now leading a week-long advisory session for news-

paper editors.

I agree with my colleagues that broadcasting is important, but we must have some exchange of people as well. You cannot learn how to organize a free press from radio programs. You need the enthusiasm and the dynamism and the practical responses to your questions that can only be provided person-to-person. I think, Mr. Berman, that exchange programs represent one of the most important contributions that this great nation can make to democracy-building throughout the world in the coming years.

Mr. BERMAN. Yes.

Mr. Brotman. I just want to emphasize the importance of transporting some notions of legal and regulatory structures in some of these countries. So much of what supports a free press abroad is a legal and regulatory structure which will allow it to flourish. We can have the best technology that we are exporting and the best sort of journalistic values, but I think a third component is missing. I hear from people all around the world about a real and pressing need for people in this country to to help other countries set up appropriate legal and regulatory mechanisms that can support the sort of free press and journalistic values that we are talking about.

Mr. BERMAN. Not to mention good libel laws.

Mr. BROTMAN. Yes.

Mr. BERMAN. All right. I thank all the witnesses very much for coming. It was a very interesting hearing, and I declare the hearing adjourned.

[Whereupon, at 4:25 p.m., the subcommittee adjourned.]

## APPENDIX

PREPARED STATEMENT OF HON. HOWARD L. BERMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Today's hearing is the third that the subcommittee has held in the last year to review the current state and future organization of U.S. Government International

Broadcasting.

This hearing will review some of the options that have been presented for reorganizing broadcasting in the light of newly evolving global political and technological developments and our own budget constraints. In addition, Congressman John Porter will testify in support of his legislation, H.R. 54, The Radio Free Asia

Act of 1993.

If the U.S. Government International Broadcasting is to remain a worthwhile taxpayer investment then we must ensure that our programming serves U.S. interests and reaches and appeals to an increasingly complex and evolving world audience. International political developments, major advances in broadcast and communications as well as our own fiscal constraints require a complete review of the mission and structure of Voice of America, Radio Free Europe/Radio Liberty along with our other broadcast services.

At the same time, there is significant interest in new broadcasts to promote freedom in China and other Asian countries. Given the limits on broadcast resources and the complex global technical and engineering considerations, the way to ensure the most effective service to Asia, and other regions, is to consider the expansion

and reform of our services in the context of our total broadcasting requirements.

On March 16, I introduced H.R. 1376, the International Broadcasting Act of 1993.

The intent of this legislation is to provide a broad and flexible outline for our broadcast services as we work to restructure their mission and organization in the light of newly evolving global political and technological developments and our own budg-

et realities.

The legislation does not prejudge the outcome of the discussions over the merits of the proposals we will review today, along with other options. The bill specifically allows for independent broadcasting to Cuba, Asia and the countries of the former Warsaw Pact. It lays out substative criteria for our broadcasts, however organized. The bill also provides a comprehensive framework within which to address the entirety of our international broadcast operations. Effectiveness and efficiency require that we stop supporting distinct broadcast missions in isolation from one another. It is my intent to address and clarify all these questions in the course of consider-

ation of the Foreign Relations Authorization for fiscal years 1994 and 1995.

In the weeks and months ahead, at a historic juncture, we have a unique opportunity to help ensure that our broadcast services are organized and structured in order to meet the challenges and utilize the opportunities of this new era. I am looking forward to working with my colleagues and the administration to accomplish this goal.

PREPARED STATEMENT OF HON. OLYMPIA J. SNOWE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MAINE

Mr. Chairman, I am pleased that we are holding a hearing focusing specifically on the future of U.S.-funded international broadcasting services. Controversy over this issue has been building slowly over the past few years. This year, however, Congress will have to make some critical decisions on the matter in the context of the Foreign Relations Authorization Act. I hope that this hearing will help clarify, if not resolve, the questions we will have to address in our bill.

Three developments have advanced this issue to the forefront. The most obvious is the collapse of communism as a viable and expansionary ideology in Europe. The end of the cold war has most immediate implications on the future of Radio Free Europe and Radio Liberty, which were established in the early years of the cold war specifically to combat this ideology in this critical region of the world. Even the strongest supporters of RFERL hope that at some point the mission of the Radios will have been achieved and the justification for continued U.S. funding for their separate operations will have ended. However, their is, to put it mildly, a spirited debate on exactly when that time will have been reached.

The second development is the severe governmental budget crisis, which requires us to take a top-to-bottom review of all areas of the foreign affairs budget. Some argue that it might be preferable to continue to maintain two separate braodcasting systems, each costing a quarter of a billion dollars. Others argue that with continuing budget cuts it would be better to maintain one well funded system than to try to maintain two inadequately funded systems. This is compounded by the growing interest increased broadcasting to China and other autocratic countries in Asia.

The third development is the accelerating technological changes in broadcasting

The third development is the accelerating technological changes in broadcasting and communications now occurring throughout the world. Global communications habits and listenership are clearly in transition. In many regions, such as much of Eastern Europe, this is a rapid change from high levels of shortwave listenership during the cold war to virtually nonexistent levels today. In other regions, such as areas of Africa and Asia, movement away from shortwave is proceeding more slowly. But in still other regions, such as Western Europe and Latin America shortwave is already dead, and the only international broadcasting opportunities that exist are through placement on local terrestrial system. Finally, as CNN and the BBC have discovered, new opportunities are opening up for quality international television programming.

To oversimplify the quandary, we are facing the challenge of trying to do more with less money in an increasingly complex international broadcasting environment.

To explore these issues, we are privileged to have four distinguished witnesses with different, but well informed views on this issue. Ambassador Carlson and Congressman Porter have testified at the subcommittee on broadcasting issues before, and we welcome your views at this critical time. We are also pleased to welcome Dr. Bitterman, who has a valuable view on these questions as a former VOA Director during the Carter administration and currently a private communications consultant. Finally, we are grateful for the presence of Professor Brotman, who has a distinguished background in international communications technology and law.

Again, welcome before the subcommittee. I look forward to your views.

## Testimony of the Honorable John Edward Porter before House International Operations Subcommittee Hearing on International Broadcasting Wednesday, March 24th, 1993

#### Mr. Chairman and Members of the Subcommittee:

I am grateful that you have provided me the opportunity to testify before you today on legislation which Rep. Helen Bentley and I have introduced to create a Radio Free Asia surrogate broadcasting service. I would like to commend and thank the Chairman, Mr. Berman, for the work he has done to address the issue of reorganizing our international broadcasting services and I would also like to thank the ranking member, Ms. Snowe, for her work on this issue as well.

As some of you are aware, I have had a longstanding interest in U.S. international broadcasting services. For the past two Congresses, I have introduced legislation to create Radio Free China which would improve the flow of uncensored and objective information to people living in China and Tibet. In this Congress, Rep. Helen Bentley and I have joined forces to introduce Radio Free Asia, H.R. 54, which would not only send surrogate broadcasts to China and Tibet but other repressive Asian countries which have state-controlled media, such as Vietnam, North Korea, Laos, Cambodia and Burma.

My interest in international broadcasting stems from my belief in the universality of democratic values and human rights. As a nation founded on the ideals of individual rights and responsibilities and fundamental freedoms, I believe that the United States has an obligation to assist others living in countries where basic freedoms, including access to information, are being denied. One of the best and most cost-effective ways to help enhance respect for human rights abroad is to disseminate reliable information that serves to foster the spirit of democracy in closed societies. By doing so, we will not only be serving our own national interest to help the spread of democracy, but we will also be empowering democratic activists to challenge the status quo and perhaps change the course of history in their own countries. In my opinion, surrogate broadcasting is a win-win endeavor, both for our own foreign policy goals and for those longing to live in freedom throughout the world.

Although I am not an expert on the subject of international broadcasting, I know that the Subcommittee would like me to touch on some specifics related to my legislation. I will now address some of the issues associated with the creation of Radio Free Asia.

Why Radio Free Asia is needed: With the demise of the Cold War and the eradication of communism in Europe, there are some who question whether we should continue to fund "freedom" radios. It is important for us to recognize, however, that the Asian strain of communism -- which continues to dominate the lives of over 1 billion people -- has yet to suffer a fate similar to that of Europe. Should we not do the same for people living in communist and repressive countries in Asia that we did for citizens in Eastern Europe and the former Soviet Union? I believe that we should.

I have heard discussion that radio broadcasting will soon become obsolete in Asia as more people will utilize the resources of satellite television technology for their news. However, this possibility should not lead us to underestimate the value of radio broadcasting in reaching targeted audiences. Most people in Asia can purchase radios for a relatively cheap price which means that surrogate broadcasts should be able to reach those in both urban or rural regions who do not have access to televisions. The Commission on Broadcasting to the People's Republic of China estimates that there are presently in excess of 80 million shortwave radios in private ownership in China. Despite the fact that radio is widely available, it is clearly not fulfilling the demand for truth in China. For example, the prodemocracy movement has mounted a valiant effort to counter government propaganda about human rights conditions and to disseminate their version of the facts. Many of the members of this movement have been imprisoned for their efforts to promote democracy through their own publications. This is clearly wrong and we should be assisting these people by broadcasting messages of support and hope on Radio Free Asia.

Although more Chinese citizens are purchasing televisions, there is still ample evidence that their access to information on internal events taking place in China and Tibet is limited. While China is not the closed society it was several decades ago, it is still a country where censorship and media restrictions have been imposed and where real news is strictly controlled. According to the Commission on Broadcasting to the People's Republic of China, the Chinese basically need information on their own country which if they tuned into VOA broadcasts they would not receive. The Commission's report cites a survey done of VOA's Mandarin broadcast which found that in an hour-long program only one to two minutes were devoted to stories on China. Even the stories on China that were broadcast were found not to contain information that is relevant to Chinese listeners, such as weather reports for farmers, publications by dissident writers or human rights activists or business activities for entrepreneurs.

Since VOA is the largest broadcaster into China, we must augment their reporting with hard news that would inform Chinese listeners about important events taking place in their own country. Any information, whether from television or radio, could fill this very conspicuous gap in broadcasting services currently on offer in China, Tibet and other countries in Asia. So long as there is an audience for internal news programming which there most certainly is, a surrogate radio broadcast service could perform a very worthwhile function and therefore is very much needed.

Why Radio Free Asia should be established under the Board for International Broadcasting rather than the Voice of America: I am a strong supporter of the work and mission of the Voice of America. I believe that the VOA provides a very useful service in telling America's story to the world. However, I strongly believe that if Radio Free Asia were to be established under the auspices of VOA, this would defeat the very purpose of establishing a surrogate service to Asia.

As this Subcommittee knows, the Board for International Broadcasting operates under a different mandate than does VOA. Because BIB exists as a quasi-private advisory board, its programming is not subjected to approval by the State Department or the U.S. Information

Agency and unlike VOA, it is not known internationally as the official voice of the U.S. government. It also has proven its ability to provide a more in-depth accounting of news events within target countries as well as providing a greater variety of programming for its listeners. As we now know from Lech Walesa, Vaclav Havel and others, this has made a critical difference in enhancing the audience listenership and effectiveness of Radio Free Europe and Radio Liberty. In addition, Radio Marti and TV Marti notwithstanding, the BIB has had the experience and has developed the expertise in operating our surrogate broadcasting services and therefore it makes good sense to establish Radio Free Asia under the auspices of BIB.

Opponents of Radio Free Asia argue that its broadcasts would be perceived, particularly by the Chinese government, as a hostile act. However, putting Radio Free Asia under VOA, whose mandate is to disseminate information about America to international audiences, would be perceived in my mind as being more confrontational than placing it under the BIB which does not have that mandate. The Voice of America, despite its noteworthy efforts to increase broadcasting of internal events in China, cannot pretend to be something it is not. It is the official voice of the U.S. government; it is not an independent agency capable of providing the kind of surrogate radio programming that has been missing from our broadcasting services to Asia over the years. Radio Free Asia should be independent of the VOA (and to the furthest extent possible of the U.S. government) in order to be effective and useful to its audience.

I am supported on this point by both the Commission on Broadcasting to the People's Republic of China and the President's Task Force on U.S. Government International Broadcasting, which extensively studied the options for surrogate broadcasting to Asia.

## The Commission's report states:

"The Commission recommends that the United States introduce a new Home Service broadcasting operation to totalitarian countries in Asia, with particular emphasis on China...A majority of the Commission recommends that the new service be insulated from the Voice of America and operate under the auspices of the Board for International Broadcasting and its citizen oversight board."

#### The President's Task Force report states:

"A substantial majority of the Task Force agrees on the desirability of establishing a Free Radio for Asia to carry out surrogate broadcasting to the community countries of China, Vietnam, North Korea, Laos and possibly Cambodia...<u>Surrogate broadcasting</u> for Asia should be placed under the Board for International Broadcasting."

In addition, I would like to emphasize that according to the Commission's report, putting Radio Free Asia under VOA as opposed to BIB would not be any cheaper in terms of set-up and maintenance costs nor could the service be set up any more quickly.

Question of merging VOA and BIB or creating a new independent agency: Proposals have been made recently to merge or consolidate our foreign broadcasting services. The Chairman has introduced a bill that would allow the President to consolidate Radio Free Europe/Radio Liberty and the Voice of America in addition to providing for broadcasting to Asia. I am also aware that although then-Governor Clinton pledged his support during the campaign for the creation of Radio Free Asia, his budget proposal plans to sharply reduce and perhaps abolish the BIB. But I believe that BIB should be preserved as an independent body not only so that it can continue its important work on Radio Free Europe/Radio Free Liberty whose services are still very much needed but also because BIB, in my opinion, is the only agency which could provide the proper resources, experience and expertise for the successful operation of Radio Free Asia. While I certainly do not believe that BIB must continue in its present form forever, I also do not want to see its elimination in the name of budget savings when it has a proven track record in the field of international broadcasting.

I would also like to briefly comment on Senator Biden's proposal to create a new independent agency in order to consolidate all foreign broadcasting services. If forced to choose between consolidating all services into the USIA/VOA or creating a new independent agency, I would support the latter since I strongly believe that surrogate broadcasting should continue and that is should be given a voice independent of the U.S. government to the extent that is possible.

Cost: My legislation provides for \$30 million to be authorized for the creation of Radio Free Asia. We based this figure on the findings in the Commission's report which they compiled after receiving estimates from both VOA and BIB. The Commission also estimates that the annual operating costs of programming to every target country in Asia included in the legislation would be approximately \$30-\$32 million.

As a fiscal conservative, I understand that any proposal that requires start up spending of \$30 million plus an additional \$30 million annually should be carefully considered in light of the staggering deficit and debt crisis which we currently face. To some who don't appreciate or question the value of surrogate broadcasting, this may seem like too high a price to pay for this service. However, as I have said before, I believe that Radio Free Asia is the most cost-effective means to encourage the kind of change in repressive Asian countries that would ultimately serve our national interest. For the less than the price of one F-16 fighter and at a fraction of the cost of one B-2 bomber, Radio Free Asia could encourage the free flow of information, accelerate the democratization process and bring about progress on human rights matters throughout the region. Why not combine the substantial investment that we have made in fighting communism and protecting the stability and security of Asia with funding for a surrogate broadcasting service that may eventually help reduce the need for defense expenditures in this region of the world?

Money in these amounts could be found. Since the transmitter project in Israel has been scrapped, a portion of the funds set aside for this project could be allocated towards the establishment of Radio Free Asia. I agree with the Commission's recommendations that we need not construct new transmitters but instead should lease time on existing transmitters that are in ample supply and which could broadcast freely into the region, making for substantial savings.

How Radio Free Asia would operate: I envision that Radio Free Asia would be modeled on the successful operating style in which Radio Free Europe/Radio Liberty have functioned over the years. Overall, Radio Free Asia should function as if it were operating inside the target country and if it had no restrictions on its reporting. The reports should be accurate, objective and non-partisan. Radio Free Asia would be staffed with Asian nationals living in the U.S. and with country experts. They should certainly broadcast in the languages of their home countries. The staff of Radio Free Asia should to the best of their ability monitor broadcasts coming out of the target country and counter disinformation with the truth. It might also choose to broadcast political prisoners lists, officially banned literature and other materials which are kept from their listening audience. Because Radio Free Europe/Radio Free Liberty have been well-served by their research institute, an institute for the Radio Free Asia service should also be created.

Despite the modernization which is underway in China and other Asian countries, it is not too late to establish Radio Free Asia. Democratic reforms have not followed economic liberalization and most of these countries remain one-party states with abysmal human rights records. For many of the thousands of political prisoners in China, 10, 20 or even 30 years is too long a time to wait for democracy to take root. We ought to be on the side of those seeking democracy and respect for human rights in Asia and we can do that through the establishment of Radio Free Asia.



# CORPORATION FOR PUBLIC BROADCASTING

4 Quarter Century of Quality Programming

901 E Street, NW Washington, DC 20004-2037 (202) 879-9600

### STATEMENT OF

AMBASSADOR RICHARD W. CARLSON PRESIDENT AND CHIEF EXECUTIVE OFFICER

OF THE CORPORATION FOR PUBLIC BROADCASTING

BEFORE

THE SUBCOMMITTEE ON INTERNATIONAL OPERATIONS

THE COMMITTEE ON FOREIGN AFFAIRS U.S. HOUSE OF REPRESENTATIVES

MARCH 24, 1993

Mr. Chairman, Ms. Snowe, Members of the Subcommittee, thank you for inviting me here today to talk to you about international broadcasting.

I not only want to talk about my impressions from the past, but also about my hopes for the future -- a future without U.S. broadcasting borders.

The United States has by far the largest international broadcasting system in the world.

Between them, the Voice of America, USIA's Worldnet TV, Radio Free Europe, Radio Liberty and Radio Marti produce more than 2,000 hours of original programming every week in 55 languages.

A vast network of radio transmitters and global satellites can literally place a signal at almost any point on earth with weekly audiences numbering in the hundreds of millions.

International broadcasting is an unqualified success story.

To understand the present system, it is necessary to look at the past.

For the four decades of the Cold War, the United States supported both VOA and RFE/RL to aggressively challenge communist information monopolies in Eastern Europe and the former Soviet Union.

Each service had its own mandate, its own budget, its own staff its own technical facilities. Large, duplicative bureaucracies were created in Washington and Munich. Nonetheless, the investment was a wise one.

When Vaclav Havel made his first trip to Washington after becoming president of Czechoslovakia, he made a point of visiting VOA to personally thank the journalists who had kept him informed during those long, dark years.

He grasped the hands of our Czech and Slovak broadcasters who were standing in line, tears in their eyes. I was with them. Without you, he said, "there would have been no revolution.

Without you I would not be President".

Later, when Lech Walesa was asked about the impact of Radio Free Europe in Poland, he responded, "Could there be an earth without a sun?"

Today, years after a peaceful global revolution driven in large part by the free flow of information, U.S. international broadcasting still labors under an inefficient Cold War structure.

In a world of twelve-digit budget deficits and personal

satellite dishes redundancy is an expensive relic of an old world order. For example, VOA broadcasts in Russian every day to 10 million people -- many of them the same audience as RFE/RL. And, there are 16 other languages in which VOA and RFE/RL overlap.

Technology and personal freedom have joined to create an electronic marketplace that surpasses even the most fantastic predictions of just a decade ago.

Competition has replaced confrontation as the driving force in international broadcasting.

It is strikingly apparent that the current structure is unable to keep pace with dizzying changes in programming and technology.

The Clinton Administration recognizes that international broadcasting is important to an activist foreign policy that has democracy building as its foundation.

However, I believe the recent proposal to consolidate all broadcasting under USIA, and to eliminate RFE/RL within two years will end up <a href="https://www.hurting.not.helping">hurting.not.helping.hurting.not.helping.hurting.not.helping.hurting.not.helping.hurting.not.helping.hurting.not.helping.hurting.not.helping.hurting.not.helping.hurting.not.helping.hurting.not.helping.hurting.not.helping.hurting.not.helping.hurting.not.helping.hurting.not.helping.hurt

By retaining overseas radio and TV as part of a top-heavy foreign affairs bureaucracy, broadcasting will continue to be subject to corrosive battles over budget, turf, and policy.

U.S. international broadcasting's structure really must be thanged. It ought to be consolidated in an organization devoted solely to broadcasting.

Quality broadcasting is a full-time job. USIA has responsibility for everything from American libraries to world fairs. It has neither the inclination nor the organizational temperament to guide international broadcasting in a new era.

I spent almost six years at USIA. I was director of VOA for and 1/2 years.

USIA is a wonderful, energetic agency staffed by dedicated professionals. Many of them are friends of mine. But it adds nothing to the art and science of broadcasting. With cultural and educational openings in dozens of newly free countries, USIA should focus on the grassroots job of democracy building -- a role it fulfills with great expertise. They should be encouraged to feel more positively about these important functions. They are worth doing and worth talking about. But they are wholly separate from the Voice of America.

The honesty and editorial integrity of the Voice of America is an internationally acknowledged fact.

VOA has maintained that reputation in spite of, not because of, its affiliation with USIA and the Government. Placing it,

together with a global TV network, alongside RFE/RL is intellectually, economically, and politically sound.

Making a home for them in close proximity to public broadcasting is eminently sensible. The timing to do this is just right. We have a new Administration with the right temperament and the right interests to appreciate the remarkable possibilities of joining New Technology with the power of information.

For 25 years the Corporation for Public Broadcasting has supported, shielded, nurtured and, when necessary, goaded public broadcasting to its present position as a national resource.

We should look at the remarkable success of public radio and TV -- PBS, National Public Radio, American Public Radio and hundreds of local stations and independent producers -- at home, and imagine how constructively that intellectual payload can be carried outside our borders.

Giving CPB responsibility for international broadcasting is a logical extension of its public service mission.

Public broadcasting is news, discussion, opinion, debate. It is history, theater, classical music. It is provocative, inspiring, and truly educational.

In many ways, it is the best of America, and there is no reason why it could not be exported in 50 to 100 languages.

Overseeing a unified international radio and TV network, CPB could transform disparate foreign affairs tools into an "electronic peace corps." U.S. international broadcasting could sustain the highest standards of accuracy, balance, timeliness, and diversity.

What would this organization look like?

I recommend consolidating VOA, RFE/RL, Radio Marti and Worldnet TV into a new, non-governmental international broadcasting service under the auspices of the Corporation for Public Broadcasting. Also included under the same umbrella should be Radio Free Asia. I am a supporter of Radio Free Asia.

This proposal is similar to the plan put forward by Malcolm S. Forbes, Jr., chairman of BIB, and Penn Kemble, the apparent deputy director designate of USIA, although they have suggested setting up a new umbrella organization.

Malcolm Forbes, Penn Kemble and I are in deep accord on the need for two things: the first is the removal of VOA from USIA. It is a non-productive relationship and there is no value added to VOA whatsoever.

The second has to do with Radio Free Europe and Radio Liberty.

They must not be eliminated precipitously. The need for their services in many ways is as strong today as it was a few years ago.

The situation with Boris Yeltsin and the crisis in Russia is an example at hand at the moment. 300 million Russians and what they  $\underline{\text{think}}$ , and what they  $\underline{\text{do}}$  are important to America and the West. They are bound to the European landmass, and to Asia as well. Tens of millions of Russians depend on Radio Liberty for straight information about events in their own country.

Tens of millions more listen to VOA for news of what America and the world think about them and what it is doing about events in Russia.

These radios must be examined carefully. Their most important functions must be analyzed on a language by language basis, held up alongside VOA's language services, with a careful restructuring to be undertaken.

Retaining their institutional integrity, and keeping them separate from the day-to-day foreign policy apparatus, of USIA and State, is imperative.

CPB could be the link between the Government and international broadcasting. It's logical. This is the exact role CPB has now with public broadcasting. It's a link between broadcasters and the government on the one hand-and a "heat shield" standing between broadcasting politics on the other hand.

A CPB-administered international broadcasting system offers:

Programming Excellence -- CPB is the umbrella for what is clearly the most innovative schedule of broadcasting in the United States.

At a time when much of world's vision of America is shaped by commercial sitcoms and game shows, international broadcasting can offer the finest in radio and television programming in dozens of languages.

Technical Innovation -- CPB has been at the forefront of technical progress since its creation.

From pioneering the use of FM radio to reach mass audiences to the development of the first national satellite network, CPB has been a key player.

As the international broadcasting arena shifts from scratchy shortwave radio to digital satellite television, public service broadcasting is poised to provide the leadership.

Credibility -- Thanks to the shield provided by CPB, public radio and television is considered the most trustworthy source of broadcasting news in America.

According to a 1991 report of the President's Task Force on International Broadcasting, "...the BBC enjoys comparative credibility in part because it is not under direct government control -- or is not perceived to be." Moving VOA, RFE/RL and Worldnet outside the Executive Branch will enhance their credibility and prestige as a consistently reliable source of news and information.

While technically not a broadcaster, CPB has spent 25 years building and nurturing a broadcast service that is second to none. It has no business other than broadcasting.

The Public Telecommunications Act of 1992 reaffirmed CPB's responsibility to ensure that public broadcasting meets the highest standards of accuracy and fairness.

By law, CPB is positioned to act as independent arbiter, when necessary, over the quality of public broadcasting at the same time it is charged with assuring both freedom from government's interference, and preservation of editorial and artistic integrity.

Diversity -- International broadcasting provides viewers and listeners a window on America. That window has over time opened wider and wider to include a variety of cultures, and public broadcasting has been their link to mass society.

A new international public service broadcaster in Europe, for instance, would have access to a staggering array of programming designed to bring the world closer.

or example, WGBH in Boston, through its program "Art of the States", now delivers the best original American music and culture to more than 20 countries.

Education -- There are few missions for broadcasting -- domestic and international -- more important than education.

Applying satellite technology to the classroom has led to a revolution in this country, and the infrastructure is already in place to do the same overseas.

The CPB-Annenberg project, for example, is a \$100 million initiative to strengthen primary and higher education in the United States through the use of television.

Public television alone serves more than 30 million elementary school students in the United States. What could be more useful to poor yet eager democracies than educational programming on business, science, health, and culture?

Public broadcasting's ready-to-learn initiative which offers educational programs for preschoolers is a logical, cost-effective system that can be easily transferred overseas.

Responsible Oversight and Stability -- For years, U.S.

international broadcasting has suffered from constant uncertainty about funding and even more debilitating manipulation for political or policy reasons.

Such problems were tolerated when VOA or RFE/RL were the only sources of news or American views for a particular region.

But with global broadcasting a reality, the American services need to be shielded from outside tampering in order to be effective.

CPB's three-year advance funding system is an ideal cure for the obsession with annual budgets.

Likewise, a group of distinguished Americans, and a responsible staff, can provide the links to the U.S. foreign policy apparatus that will always be essential for international broadcasting in the public service -- exactly as it is practiced by the BBC.

Mr. Chairman, public broadcasting has long recognized the value of talking to and working with the rest of the world. In my recent discussions with public broadcasters, I have noted great enthusiasm for the idea of consolidating America's international broadcasters with their colleagues at home. Every public broadcaster I've spoken to -- at NPR, at PBS, at APR, all, to one degree or another, are intrigued by this idea. I talked about this yesterday with Doug Bennet, the highly respected President of National Public Radio. He is enthusiastic about the possibilities in this for Americans and for the rest of the world. He said, "As long as the present independence of Public Radio is guaranteed there are all sorts of wonderful opportunities here to expand our programming overseas." With the combined talents of America's public and international broadcasters, we could offer training and exchange programs that would foster free and independent media around the world.

We would all benefit from breaking down the artificial and outdated barriers between domestic and foreign broadcasting. This is an idea whose time has come. TESTIMONY OF MARY BITTERMAN TO THE SUBCOMMITTEE ON INTERNATIONAL OPERATIONS OF THE FOREIGN AFFAIRS COMMITTEE OF THE UNITED STATES HOUSE OF REPRESENTATIVES, March 24, 1993

Mr. Chairman and Members of the Committee:

I am honored to have been invited to testify on the past performance and future of international broadcasting organizations funded by the Federal government. I come as a private citizen with 20 years of experience in broadcasting and international relations, the most relevant perhaps at the United States Information Agency, where I served during President Carter's administration as Director of the Voice of America. With your permission, I will talk first about broadcasting to Asia; then about the so-called "surrogate radios" — Radio Free Europe and Radio Liberty; and finally about the future of VOA.

Broadcasting to Asia. With the decline of communism in Eastern Europe and the former Soviet Union, there is the general feeling that we should now greatly increase our Asian broadcasting with view to accelerating the growth of democracy in the region, but there is some disagreement as to how to do it. One proposal is simply to build on the foundation already established by VOA, which broadcasts to Asia both in English and in a variety of other languages -- Bangla, Hindi, Indonesian, Vietnamese, Lao, Khmer, Burmese, Korean, Tibetan, Cantonese, and Mandarin. The audiences are large, enthusiastic, and growing. Some years ago, the Chinese Minister of Culture admitted to me with some chagrin that the audience of the VOA in China alone is measured, as he put it, "not in tens of millions but in hundreds of millions." The most expedient and the most economical plan would seem, therefore, to give VOA the resources necessary to broaden and deepen its current Asian programming to whatever extent may be desirable.

A competing proposal is to create a new agency for the purpose -- an agency like the Board for International Broadcasting (BIB) which administers the surrogate radios -- or even to call on the BIB itself to establish a surrogate Asian service. The delay would be considerable and the cost much greater because of the need to duplicate existing facilities, but the proponents of a new surrogate service claim that VOA is unable to do the job properly. In my opinion, the arguments are incoherent and unconvincing. One of them is that VOA's mission is to tell the world about the United States rather than about affairs in the countries and regions to which its programs are directed (e.g., C. Hutzler, Christian Science Monitor, August 29, 1991), a conception that certainly is incorrect. There is nothing in VOA's charter to preclude it from developing and broadcasting in-country and regional stories, and it has been doing so for many years. Witness, for example, the excellent coverage of the 1989 pro-democracy demonstrations in Tienanmen Square that was broadcast to audiences in China and throughout the world. If increased local coverage is required, VOA is perfectly positioned to provide it.

A second argument is that VOA is incapable of objective reporting because it is dominated by a State Department that will not tolerate unflattering reports of events in

a foreign nation with which it wants good relations -- China, for example. In a recent Washington Times article (March 10, 1993), Mr. Ben Wattenberg tells us that only "Emigre-based home service broadcasting would give nonpropagandistic news about China, by Chinese, to China." The implication that the confrontational and highly politicized surrogate radios have been models of impartial and objective newscasting is difficult to take seriously. In any case, VOA does have Chinese broadcasters broadcasting to China about China, and they function under the Congressional mandate for accuracy and objectivity written into the VOA Charter.

One of the missions of VOA certainly is to "present the policies of the United States clearly and effectively," along with "responsible discussion and opinion on these policies," but another is to "serve as a consistently reliable and authoritative source of news" (VOA charter). Insulation of news-reporting from distorting political influences is not easy in any news organization. At VOA, the mechanisms of quarantine are in place, and its seasoned journalists have always in my experience sought diligently to maintain the highest standards of their profession. The repeated and largely ineffective efforts of the PRC to jam VOA's Mandarin service suggest that VOA must be doing something right, even by the standards of its severest critics.

The 1992 report of the Commission on Broadcasting to the People's Republic of China gives currency to the criticism that, as a matter of State Department policy, VOA broadcasters call countries by their official names. For example, "the People's Republic of China is never referred to as 'Communist China'" (p. 17). That does not mean, however, that VOA's news to mainland China (whatever it is called) is in any way compromised. A surrogate service free of such linguistic constraints might provide some emotional satisfaction, but at the cost, I think, of credibility, to say nothing of financial cost. The Commission estimates the price of a "less than full" new service to Asia as about \$30 million for start-up and about \$40 million for annual operation (p. 31). As to the existing surrogate radios, they were never intended to be entirely independent -- Federal law requires that their broadcasts be consistent with U.S. foreign policy -- although it is a long way from Washington to the home office in Munich.

It has been suggested that nominally-independent surrogate radios serve the U.S. Government by promoting policies which it is unwilling publicly to acknowledge. The Commission on Broadcasting to the PRC reports, in fact, that the "BIB acts as a firewall, allowing [Radio Free Europe and Radio Liberty] to operate without the policy constraints which apply to VOA" (p. 19). However acceptable the practice, there is little reason to suppose that anybody is fooled. Some months ago, BIB Chairman Malcolm Forbes, Jr., presented to the Senate Foreign Relations Committee a set of letters from government leaders of Hungary, Poland, and Latvia testifying to the value of the existing surrogate radios. The letters were addressed, not to the BIB, but to President Bush and the Congress. Could the U.S. really hope to finance, say, a Radio Free China, while escaping responsibility for it?

In a recent Washington Post article (March 8, 1993), Ambassador Jeane Kirkpatrick actually complains that VOA "works from American perspectives and policies," suggesting that it should be moved "out of the U.S. government" and given to "an independent agency with its own priorities." Exactly whose priorities (if not American priorities), she does not tell us, nor why the American people should want to support an organization with priorities other than their own. In my judgment, there is no good argument against total reliance on VOA both for broadcasting to Asia and for all of our international broadcasting.

Radio Free Europe/Radio Liberty. The same conclusion was reached by the 1991 Presidential Task Force on U.S. Government International Broadcasting, which expressed the hope and expectation that "global conditions will continue to change in a positive manner," permitting "a phase-out of surrogate/alternative broadcasting" in the next decade and leaving VOA as the "only one U.S. Government international broadcaster in the 2lst century" (p. 12). In the interim, the task force proposed, the programming of the "radios" should become more "alternative" than "surrogate," with emphasis on establishing standards for a free press, advancing democratic principles, and fostering the development of market economies.

A much more reasonable suggestion of the present Administration is that the winding-down process might proceed more quickly, with FY 95 as a target date. An important consideration in this time of fiscal constraint is that substantial saving would be effected if the Administration's suggestion were implemented, because what the surrogate radios would have done between now and the end of the century can be done as well by VOA. There are 16 languages in which both VOA and the surrogate radios now broadcast, a duplication that should be ended promptly. The budget of the surrogate radios is on the order of \$220 million, essentially the same as the budget of VOA, although VOA broadcasts globally in 49 languages while the surrogate radios broadcast only regionally in 23 languages. I have the impression that the BIB budget has been unduly generous, and I certainly would expect it to be sharply reduced in the winding-down period. Some of the saving might be made available to VOA for research (an area in which the well-funded surrogate radios have been able to excel) and for strengthening its correspondent corps, as well as for expanding its Asian programming.

Those who would be unhappy to lose the surrogate radios should take comfort in the knowledge that VOA will continue to broadcast to audiences in Eastern Europe and the former Soviet Union with accuracy, thoroughness, and distinction. The best reassurance might come from listening to those broadcasts.

The Future of VOA. As a former director of VOA who has studied its history and followed its progress, I pay tribute to its men and women who for more than half a century have provided extraordinary service to our great republic and to the people of the world. Life has not always been easy at "the Voice," with well-intentioned parties arguing variously for its growth or decline, with popular sentiment often favoring the

surrogate radios (said to be "hitting the enemy harder"), and with demands for instant new language services untempered by the realization that not everyone walking down Independence Avenue might be competent, say, both in Tibetan and English, and have broadcasting skills as well. Nevertheless, VOA has responded quickly and competently, even heroically, in times of international crisis.

For the single, global, competitive, cost-effective U.S. Government-funded international broadcasting organization envisioned to serve America's foreign policy interests into the 2lst century, we need look no further than to VOA. It is ready to meet the current demand for expanded programming to Asia — in-country and regional, as well as international — and to fill any gaps in the service to Eastern Europe and the former Soviet Union that may result from the discontinuation of the surrogate radios. In full recognition of the deficiencies of shortwave techniques, VOA is taking steps even now to maximize its reach, aggressively seeking higher-fidelity, local-radio outlets.

Some examples: In the 17 Spanish-speaking countries of Latin America, hundreds of commercial stations and networks, including several national chains, use segments of VOA's Spanish programs, which are simulcast on satellite for 47 hours each week. The VOA Thai service delivers 30 minutes of satellite programming each weekday to Radio Thailand, a 53-station chain. Korea's Christian Broadcasting System uses VOA news and features on its five-station network, and VOA Korean reports are faxed to a leading newspaper, Hankook Ilbo, for publication. VOA's Polish programming is carried by 19 stations, including seven which simulcast the service's morning or evening broadcasts. Arrangements have been made for VOA to use AM and FM transmitters in Central Asia, and the Osaka-Yusen Radio network of Japan is bringing VOA Worldwide English to its million-plus subscribers for 24 hours every day, marking the first time that VOA has been carried on Japanese domestic radio.

VOA is a complex organization with a long history and tradition. People who talk lightly of taking it out of USIA and putting it under new management seriously underestimate the difficulty of the task. Reorganization would be very expensive and would probably impair the productivity of VOA for a long time, with nothing whatever to be gained.

Consider the arguments for giving both VOA and the surrogate radios to the Corporation for Public Broadcasting: The first is the old independence argument, which is no more compelling in this context. The change would simply mean a transfer of control from USIA to the CPB Directors, who are appointed by the President and confirmed by the Senate -- hardly an apolitical process. A second argument is that the new arrangement would be less expensive because duplication between the services of VOA and of the surrogate radios would be eliminated, but the argument evaporates if the surrogates are discontinued. The anticipation of synergy between CPB and VOA seems unrealistic, because CPB is neither a producer of programs nor a broadcaster, while VOA is both. It is true that under the proposed arrangement public broadcasting

programs could be used in international broadcasting, but CPB does not produce those programs and would have to purchase them from the producers, which VOA/USIA can do, and is doing, directly. Whether in USIA or in CPB, VOA could contribute programs to public broadcasting stations if the Smith-Mundt Act were repealed. The suggestion that we copy the British system overlooks its rather different history and circumstances.

VOA has been part of USIA for forty years, and, if synergy is a criterion, it should stay where it is. Certainly there have been frictions and disagreements among the several components of USIA, but they are far outweighed by common interests and substantial possibilities for fruitful collaboration. VOA contributes to public diplomacy by reaching global audiences with straightforward news of America and the rest of the world. It also provides useful information about U.S. policy, although I think its awkward editorials should be replaced by excerpts from public statements of the President, the Secretary of State, and other senior U.S. officials. Components of USIA do audience and opinion research for VOA, negotiate its transmitter agreements, place VOA programs on local stations overseas, and promote VOA listenership. USIA's television service, which is managed within the Bureau of Broadcasting by the VOA Director (who has the title also of Associate Director for Broadcasting), is only now beginning to realize its potential. A breakthrough is seen in Central China TV's recent broadcast of USIA-produced biographies of Treasury Secretary Bentsen, OMB Director Panetta, and Economic Advisor Rubin on a weekly news program dealing with U.S. budget issues; the estimated audience was more than 200 million. It is reasonable to suppose that the radio and television services of the Agency will be increasingly integrated in the future.

VOA and other units of USIA are already developing multi-pronged strategies for dealing with the pressing topics of democratization, inter-ethnic harmony, religious toleration, market economics, export promotion, environmental preservation, and development of a free press. In concert, they have made important contributions to the improvement of worldwide English-language instruction. Overseas libraries and cultural centers, exchange programs, publications, and foreign press centers complement VOA's activities, and the Agency as a whole is able to realize certain economies of operation because of the closely related missions of its components.

Here speaks a voice from America... We shall tell you the truth. Those were the words of William Harlan Hale in VOA's inaugural broadcast on February 24, 1942. Whatever decisions this Honorable Committee may make with respect to the future of international broadcasting and its administrative setting, I hope those words will continue to guide us.

Thank you, Mr. Chairman and Members of the Committee.

A Balanced Strategy for International Broadcasting

Testimony before
The Subcommittee on International Operations
Committee on Foreign Affairs
United States House of Representatives
March 24, 1993

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In our view, we are entering a most difficult period in the history of international broadcasting. There are four intertwined issues we need to confront:

- The perception of victory in the cold war and a diminished sense of urgency about foreign affairs;
- Extremely limited financial resources for federal initiatives such as international broadcasting;
- 3) The notion that commercial services such as CNN serve the goal of providing a sufficient American voice in international broadcasting; and,
- 4) The concurrent dramatic changes in the technologies and economics of international communications.
  Let us address each of these briefly.

First, in our view, the role of both international and homeservice broadcasting at the sudden and dramatic conclusion of the Cold War is, if anything, more important than it was in the decades preceding it. The constitutional turmoil in Russia and the ethnic conflict in other newly independent republics demonstrate that, more than ever, an independent and reliable broadcast source describing and commenting upon unfolding events is critically important. Bopefully, we will see a variety of indigenous print and broadcast media find an economically sustainable voice in these regions to protect and sustain an open

marketplace of ideas. But to simply assume that such voices are in place and secure would be irresponsible.

second, the federal financial constraints are real. There is no reason to cling to existing institutions and traditions beyond their usefulness. Home-service broadcasting in particular can be and should be replaced over time by self-supporting indigenous broadcasting and publishing. But, in our view, the commitment should be made to continue our support for an active program of home-service broadcasting in Central Europe and Eurasia and an expanded effort in China and North Korea for a period of five years. Over the course of that commitment, with close attention to political and economic developments, the United States should develop an appropriate strategy for the next decade.

Third, the American taxpayer need not foot the bill for a full-scale international television broadcasting network. The VOA need not throw in the towel, just because Ted Turner has arrived on the scene.

Rather than being a zero-sum game, public affairs broadcasting succeeds best when it is pluralistic. Although the role of American commercial broadcasting overseas should be supported and nurtured, the United States should not put itself in the position of having to buy a half-hour of commercial time on CNN when an American spokesperson needs to get the message out worldwide. Furthermore, it should not be assumed that as global commercial media congolmerates evolve, they will turn out to be predominantly American firms. It may well be that international

broadcasting and publishing will be dominated by European- and Japaneseowned companies.

Fourth, concurrent with the political collapse of communism, we are witnessing a revolution of a different sort — the dramatic changes in the technologies of digital broadcasting and telecommunications. The growth of satellite broadcasting, multichannel cable television and video and multimedia over traditional telephone networks offers a special opportunity for a pluralistic and open system of international communications and journalism.

We wish to draw particular attention to this development. Eastern Europe and the former Soviet Union have communications infrastructures that are barely functional. A combination of wireline and cellular technologies is being developed that will allow them to leapfrog their existing communication system and put in place a viable and flexible telecommunications infrastructure. In our view, this issue of communications infrastructure is closely tied to the development of sustainable indigenous journalism and interpersonal communications which are in turn central to the growth and protection of democracy in these regions of the world.

So, as a concluding remark, we wish to emphasize that the new channels of communications in the developing world should be vigorously pursued. We need to break down the technological and institutional boundaries by which we have measured the flow of communications. The Voice of America should have a text-based equivalent available via fax

or electronic mail. The existence of a commercial CNN should not preclude a public VOA.

We have been struggling to identify a word or phrase which would quickly capture the essence of this strategy of international communications. It should emphasize agility, the need to be responsive and flexible as technologies and circumstances change. It should reflect a multi-channel strategy, developing a prudent and appropriate mix of publishing, broadcasting and advanced telecommunications technologies. Perhaps, to borrow a phrase from Peter Huber's research on telecommunications networks, we could dub it The Geodesic Strategy. Geodesic architectures are strong but flexible, modular rather than hierarchical. Any point in a geodesic network is connected to the others by many links. If one link is weak or is blocked, there are other routes through the network to keep lines of communication open. The United States has built some important links in its global geodesic communications network. This is the opportunity to build upon rather than simply replace these important connections to help sustain democracy around the world.

Given the complexity of these intertwined issues, the United

States needs the time to carefully assess its options. We have

identified the period of five years as a reasonable time frame for

continuing the current commitment to international broadcasting. With

the support of this Committee, the first two years of that period could

provide for a thorough examination of options and opportunities, ideally

an independent Presidential commission to study the matter carefully with input, but not undue influence, from the existing establishment of international broadcasting. The second two years of this five-year period could provide for experimentation and the establishment of new forms and new institutions to support international communications in news and public affairs. The fifth year would permit a careful transition based on a prudent mixture of forethought, imagination and experimentation. If this course is pursued, the United States will signal to the world an unwavering commitment to protect and sustain what we have already achieved in the open flow of ideas across international borders.

## The Fletcher School of Law & Diplomacy Tufts University Medford MA 02155 617 628 7010

Stuart N. Brotman Adjunct Professor of International Law. Senior Management Adviser/Communications Industries, B.S., Northwestern University (1974); M.A., University of Wisconsin (1975); J.D., University of California (Boalt Hall) (1978). Professor Brotman was Note and Comment editor of the California Law Review, and, from 1978-81, he served as special assistant to President Carter's principal communications policy adviser at the National Telecommunications and Information Administration. He is a senior fellow of the Annenberg Washington Program in Communications Policy studies, Northwestern University, and a faculty member of the Boston University School of Law. His interests include comparative regulatory treatment of broadcasting, cable television, satellites and fixed/mobile telephone services; Eastern European media and telecommunications developments; U.S. policy in international telecommunications; international intellectual property and privacy law; telecommunications development financing; European Community telecommunications regulation; and international trade issues involving telecommunications equipment and services. His publications include: The Telecommunications Deregulation Sourcebook; Telephone Company and Cable Television Competition: as well as over 250 articles and reviews on selected telecommunications topics. He also serves on the editorial advisory boards of the Federal Communications Law Journal and the Transnational Data and Communications Report.

W. Russell Neuman Professor of International Communications and Director of the Edward R. Murrow Center. B.A. in government, Cornell University (1967); M.A. (1969) and Ph.D. (1975) in sociology, University of California, Berkeley. Prior to arriving at Fletcher, Professor Neuman worked as Director of the Communications Group in the Media Laboratory and Department of Political Science at M.I.T. He has also taught at the University of California at Berkeley, Yale University, and Harvard University. His research experience in the field of mass communications is extensive. Much of Professor Neuman's research has focused on the role of television in the political system and he has published numerous articles in journals such as Public Opinion Quarterly and Public Communication and Behavior. Most recent books: The Future of the Mass Audience (1991); The Gordian Knot: Policy Gridlock and the Communications Revolution, with Lee McKnight, Richard Solomon and Suzanne Neil (1992); Common Knowledge: News and the Construction of Political Meaning, with Marion Just and Ann Crigler (1992); and The Telecommunications Revolution: Past, Present and Future, with Harvey Sapolsky, Eli Noam, and Rhonda Crane (1992).

Testimony before the
Subcommittee on International Operations
of the U.S. House of Representatives
on "Rethinking U.S. International Broadcasting"
by Adrian Karatnycky
Assistant to the President, AFL-CIO
Rayburn House Office Building
Wednesday, March 24, 1993

Mr. Chairman:

The AFL-CIO is grateful for the opportunity to express its views on the future of U.S. funded international broadcasting. The AFL-CIO would like to commend the Subcommittee, under the leadership of Chairman Berman, for its longstanding interest and deep engagement in the promotion of democratic values abroad.

The AFL-CIO may not be the organization that first comes to mind when U.S. international broadcasting is the topic of discussion. Yet, while the jobs of the members of unions affiliated to the AFL-CIO are likely to be affected if economies are to be exacted from the budgets of Radio Free Europe/Radio Liberty or the Voice of America, the judgments that follow are not influenced by such considerations. Unfortunately, any cuts in international broadcasting will involve the loss of union-members' jobs; budget cutting is, in this instance, a zero-sum game.

The principal reason the AFL-CIO has asked to testify is because of our deep engagement in efforts to promote democratic change abroad by supporting free trade unions. That engagement is carried out by American trade unionists -- men and women -- working in some thirty countries on four continents. In particular, this testimony reflects the experience of our work on the front lines of the struggle for democracy and economic reform in Poland, Hungary, the Czech and Slovak republics, Bulgaria, Romania, Albania, Russia, Ukraine, Lithuania, Kazakhstan, and other former Soviet republics.

In working with emerging free trade unions in Central and Eastern Europe and the CIS, the AFL-CIO has observed first-hand the central role

of a democratic mass media in the rebirth of independent civil society. Without Radio Free Europe and Radio Liberty (RFE\RL), it would be impossible to imagine Solidarnosc surviving martial law in the Poland of the 1980s, Podkrepa emerging as a democratic mass movement in Bulgaria in 1989-90, or the Independent Miners Unions of Russia and Ukraine emerging as important democratic forces in their societies.

RFE/RL has given worker leaders and free trade union activists substantial access to the airwaves, in this way helping to erode the stranglehold on workers on the Communist-dominated trade union fronts which are still linked to the values and agenda of the enemies of democracy from the old totalitarian order. At critical times in the democratic struggle, RFE\RL has provided information on strikes and on the demands of strikers. Programs on free trade unions and their structure and function in democratic societies are a regular feature of RFE\RL. By contrast, such broadcasts are rarely heard on the Voice of America.

### Mr. Chairman:

Today, the free trade unions we work with are under great pressure in a number of settings. In Kazakhstan, unions have had their legal registrations revoked, editors of their newspapers have been put on trial for "slandering" the good name of government leaders, and offices of newspapers have been shut down for reasons of "safety and hygiene."

Not surprisingly, radio and television face special restrictions. In Kazakhstan, the liberal director of state radio was fired early this year and replaced by a hardliner who has blocked all access to the local airwaves by representatives of free trade unions, strike committees, and democratic political parties. In Belarus, the democratic opposition is openly kept from the airwaves.

In short, from Vilnius to Alma-Ata, from Moscow to Tashkent, a counter-revolution is on. Its aim is to restore to power the forces of the old order.

The AFL-CIO, therefore, is deeply concerned about the uncertain future of Radio Free Europe and Radio Liberty. We strongly oppose any efforts to curtail broadcasting or cut off funding for these vitally needed

instruments of democratic change. Likewise, we strongly oppose efforts to merge RFE/RL into the Voice of America or to place it under the direct jurisdiction of the USIA. The effectiveness of the "home services" of RFE/RL is directly linked to the insulation that is afforded to their staffs and management by an appointed board made up of private sector leaders.

With democratic leaders under pressure from hardliners in Russia and other newly independent states, and with much of the former USSR still in the hands of tyrants who strictly control the mass media, Radio Liberty remains a vital resource for promoting democratic change in the post-Cold War era. Radio Free Europe, too, is an indispensable instrument for promoting democratic values and inter-group tolerance in a setting in which chauvinistic hate groups are on the march in Central and Eastern Europe.

The AFL-CIO certainly does not oppose any efforts to save money by eliminating duplication in the use of equipment, sharing of transmitting facilities, and even consolidation of administrative functions. However, we strongly believe that any rethinking of U.S. radio broadcasting should preserve the "home service" functions of REF/RL. Indeed, we believe that these functions ought to be expanded to government broadcasting.

Thought, instead, should be given to a sweeping reform of the VOA. VOA is a far less influential institution than Radio Free Europe/Radio Liberty. Its news reporting and commentaries are of a poorer quality than those of the BBC World Service and RFE/RL. Frequently, onerous and intrusive constraints are placed on reporting. RFE/RL delivers both higher audiences, and more significantly, audiences that are active in political and civic life in their countries. Moreover, the VOA's reputation as the official voice of the U.S. at times works to undermine listener receptivity to the objective information that is contained in its news reports and documentaries.

The "home service" aspect of RFE\RL differs significantly from the VOA's news and editorial activities. Unlike the VOA, Radio Liberty and Radio Free Europe focus on reporting about events inside the target countries. They have taken advantage of political openings occasioned by the collapse of totalitarian rule to open offices in Eastern Europe and

Central Asia. These changes mean that they are providing hard-hitting investigative reporting at the source. They also are now enhancing shortwave broadcasting through access through medium wave frequencies.

The overwhelming majority of airtime on RFE/RL is given over to reporting on events in the target country. International news, too, is selected from the prism of the interests of the overseas viewer. By contrast, VOA reports on events dealing with target countries only if they are based on U.S. sources. I.e., only if they are the subject of reports or dispatches in U.S. newspapers or the subject of official U.S. government statements. For countries in which there are no permanent U.S. correspondents, which includes the vast majority of the ex-Soviet republics, this means little coverage of internal events. Leaders and activists from the target country are heard only on the rare occasions when they travel to the U.S. As significantly, many leaders of democratic movements prefer to appear on RFE\RL, which are not official organs of the U.S. government, preferring not to be branded the tools of U.S. policy.

Societies in transition to democracy, and societies in which the democratic struggle has a long way to go, desperately need the voice offered by the "home services" of RFE\RL. The media of these societies, moreover, do not yet have the well-established habits of an independent objective press. The competition that the media face from RFE\RL improves their objectivity. These radio services, moreover, are frequently cited in the print media, which cannot as yet afford to subscribe to Western wire services.

In some repressive post-Soviet states, Radio Liberty reporters are regularly subjected to harassment and intimidation. This is a clear sign that they are performing a function that is feared by the enemies of democratic change.

Mr. Chairman, the work of RFE\RL should not be brought to a close. Rather, the "home service" approach should be extended to other societies in transition. This is why the AFL-CIO strongly endorses the creation of an Asian Democracy Radio and why we recommend that it be placed under the aegis of the Board for International Broadcasting. Target

countries for this service should include Burma, North Korea, Vietnam and China.

Thought, also, should be given to putting the VOA under a quasiindependent board, with broad responsibilities for selecting top management and formulating policy guidelines. Under such a reform, VOA could continue to broadcast the positions of the U.S. government, when these are newsworthy or in limited editorial slots. As national security and foreign policy urgencies arise, targeted broadcasting by the VOA's foreign language services could be devoted for limited periods to getting out the U.S. government's word on key issues.

In a period of budgetary constraints, economies in U.S.-funded international broadcasting are clearly necessary. There is clearly no reason why the RFE\RL presence in Munich could not be reduced in favor of relocating many editorial, production, and administrative facilities to the U.S. The relocation of each job from Munich to Washington would save as much as 40 percent under current rates of exchange. We also recognize that budgetary strictures will require jettisoning the planned Israel transmitter. However, we strongly oppose the building of a transmitter in Kuwait-- a tightly-controlled dictatorship. We believe that it is inappropriate to place a tribune of democratic values in a society that limits political opposition, denies women a franchise, and limits the rights of representative government. Efforts should be made to relocate the planned Kuwaiti transmitter in Turkey. Past discussions conducted with Turkey did not bear fruit. But those discussions were conducted at a time when the Soviet Union still existed and Turkey was concerned about worsening relations with the superpower to its North. Clearly, the context has changed and Turkey has undertaken a wide-ranging broadcasting program to the newly independent Turkic states in Central Asia.

If the Congress and Administration decide to go ahead with the eventual integration of the VOA and Radio Free Europe/Radio Liberty (as well as the new Asian Democracy Radio), it would be far better and more effective to merge the VOA into the home service radios (RFE\RL) under the Board for International Broadcasting. It would be a grave error to merge these more popular and more respected services into the VOA or to place them under direct USIA control.

In terms of content that is of interest to listeners in the target country and in terms of flexibility, the RFE/RL model (modified to allow for USG broadcasts in the event of national security or other urgencies) has clear advantages over the official VOA.

In our view it is essential to preserve the Board for International Broadcasting or some other private sector governing board like it to insulate "home service" radio broadcasting from direct intrusion by the U.S. government.

Such broadcasting, one step removed, can be more hard-hitting and honest than that which is subject to the constraints of U.S. bilateral relations with other states. Because it is one step removed, such broadcasting also protects U.S. diplomatic missions from the wrath of foreign governments which might be inconvenienced by unflattering investigative reports or by the access given to political opponents.

The stakes are high in any reform of U.S.-funded international radio broadcasting. This is why the AFL-CIO will oppose any effort to effect economies that would diminish the essential "home service" functions of RFE\RL to fragile new democracies or societies in which the struggle for democracy is being waged. We urge your Subcommittee, as we have urged the Administration, to protect RFE\RL, an indispensable instrument of democratic change. We urge your Subcommittee, as we have the Administration, to consider ways in which to effect savings, while extending the reach of the highly-effective "home service" radios.

Thank you for your attention.

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#### QUESTIONS SUBMITTED TO AMBASSADOR CARLSON BY THE SUBCOMMITTEE ON INTERNATIONAL OPERATIONS

#### Question:

Under your proposal, it appears that the nature of surrogate broadcasting would be preserved so that the work of Radio Free Europe and Radio Liberty could continue through this democracy-building period. Is that your intention?

#### Answer:

Radio Free Europe and Radio Liberty have a key role to play in the transition to democracy in Eastern Europe and the former USSR. Their reputations alone are valuable American assets. They should not be squandered in the name of short-term budget.

The CPB proposal would retain RFE/RL and surrogate broadcasting as part of our overseas service. The programming and research techniques developed over nearly half a century will be essential to the start of Radio Free Asia.

We would, however, immediately undertake a careful language-by-language assessment of all our radio services, especially the 16 in which VOA and RFE/RL overlap. Needless duplication between the two would be eliminated and, as political conditions warrant, real consolidation could take place. We would eventually have one broadcast to Georgia, for example, that would feature VOA's international and American news followed by RL's update and analysis of the Tbilisi scene.

Merging the programming and technical facilities of VOA and RFE/RL will result in real cost savings without sacrificing hard-won credibility. Combining it with the talents and resources of public broadcasting under the aegis of CPB will ensure that the highest standards of quality and objectivity are maintained.

# QUESTIONS SUBMITTED TO DR. MARY BITTERMAN BY THE SUBCOMMITTEE ON INTERNATIONAL OPERATIONS AND RESPONSES THERETO

l. Do you have any first-hand knowledge about the broadcasts of Radio Free Europe/Radio Liberty and how do you respond to remarks by such prominent forces for democracy like Vaclav Havel and Lech Walesa regarding the continued need for Radio Free Europe?

I have heard RFE/RL broadcasts in Hungary and in Romania, and I have witnessed reactions to them. I have also been told about RFE/RL broadcasts to other target regions by people in those regions. My strong preference -- and that of my overseas colleagues -- is for the less confrontational and more credible VOA style. On assuming her official duties in Washington in 1990, Rita Klimova, then Ambassador from Czechoslovakia, praised VOA as "more objective and truthful" than RFE.

Why shouldn't Havel and Walesa be grateful to RFE/RL, whose support they have enjoyed? They also have praised VOA's message of democracy and economic reform, and their words have been broadcast repeatedly by VOA.

On its 50th anniversary, Havel called VOA "the most listened to radio station in Czechoslovakia," saying: "You have informed us truthfully of events around the world and in our country as well, and in this way you helped to bring about the peaceful revolution that has at long last taken place. . . . You will have [to continue] to inform us about how to create democracy because we are now beginning to build it, to renew it after many long decades and we have a lot to learn."

Walesa said on the same occasion that "If it were not for the Voice of America, changes would not have come as quickly and as effectively. The victory "is the Voice of America's greatest accomplishment." He, too, urged continuation of VOA broadcasts.

Will we need RFE/RL in addition to VOA? I think not, and the 1991 President's Task Force on U.S. Government International Broadcasting thought not. The money spent on RFE/RL — as much as is spent on VOA, which does far more — could be put to better use, some of it in helping VOA to meet the ever-increasing demands made upon it in this rapidly changing world.

2. Lam under the impression that many of the former VOA Directors have indicated that VOA would benefit from a separation from USIA parentage. During your service as the Director of VOA, was there any inclination among the rank and file that USIA hindered its journalistic integrity? How do you account for the tremendous success of RFE and RL operating as a private corporation funded by an independent federal agency, the Board for International Broadcasting?

From earlier conversations with Kenneth Giddens, the longest-term VOA Director, I know that he regarded the relationship with USIA as a positive and productive one. Henry Loomis, VOA Director from 1958-1965, and Chase Untermeyer, the most recent Director, feel the same way. Whether "many" of the other former directors feel differently, I don't know. The relationship between VOA and USIA can become even better in the next decade as complementary programs are developed to deal with the urgent issues of democracy building, market development, establishment of a free press, and human rights.

If VOA were to be separated from USIA, where would it go? The focus of the BIB (on Eastern Europe and the former Soviet Union) is much too narrow. (Note that responsibility for Radio Marti, whose natural "surrogate-radio home" would seem to have been the BIB, was given instead to VOA, probably because of VOA's rich Spanish-language and Cuban experience.) CPB, which serves largely as a funnel for Congressional appropriations to public radio and television stations, is neither a broadcaster nor a producer of programs; the proposal that it should become an American BBC shows little understanding of the BBC. As long as VOA is required by Congressional charter "to present the policies of the United States clearly and effectively," it must have some attachment to government, and the USIA attachment serves it well. Reorganization would be costly in time and money, with nothing to show for it.

Ambassador Kirkpatrick has suggested that VOA be given to a new agency with "its own priorities" rather than those of the American people, although she doesn't say whose priorities, or why the American people should want to support an agency with priorities different from or even contrary in some respects to their own. One wonders, for example, how many supporters of the BIB are aware of reports that "excessive zeal" on the part of RFE/RL broadcasters has led them on occasion to take positions, not only "unbalanced" and "unprofessional," but overtly unAmerican -- fostering apartheid, anti-Semitism, separatism, and internecine warfare. Hatred of Communism is not necessarily accompanied by love of democracy, which is the American priority.

During my tenure as Director of VOA, there was no suggestion on the part of "the rank and file" that USIA threatened our journalistic integrity. I have been told by VOA colleagues that, apart from the daily editorial (a three-minute commentary clearly identified as an official U.S. Government statement), all programming has continued, since I left, to be controlled by VOA, with no direct or indirect interference from the State Department, USIA, or any other agency of the government.

As to the alleged "tremendous success" of RFE/RL, is there any independent evidence of it? I don't know of any. (Professor John Nichols testified to this Subcommittee last fall that there is even "a reasonable possibility that Radio Liberty and Radio Free Europe actually delayed and complicated the inevitable changes that are now taking place in the Soviet Bloc.") And if there really has been some success, is there any evidence that it is attributable to management by the BIB? It is difficult for me to imagine any better way to do our international broadcasting than the way in which VOA has been doing it for more than half a century.

#### Voice of America

Washington, D.C. 20547

April 29, 1993



The Honorable Howard L. Berman Chairman Subcommittee on International Operations Committee on Foreign Affairs House of Representatives

Dear Mr. Chairman:

Following Congressman Porter's testimony before your subcommittee last month, I would like to correct the record concerning VOA programming to Asia.

VOA broadcasts 10 hours of Mandarin Chinese and one hour of Cantonese Chinese daily. The programs consist of a heavy proportion of news about China or Asia. On the average, more than four out of ten world news items at the beginning of each hour summarize developments on China or the region. About half of the news-related material in the remainder of the program is targeted to amplify on Chinese and Asian subjects. During crises such as the 1989 Tiananmen crackdown, the China-related content of VOA Mandarin and other Asian language programming soars--sometimes to nearly 100 percent.

VOA Chinese broadcasts provide timely and broad coverage of developments in China and elsewhere in Asia. Our professional staff and highly productive network of overseas correspondents and stringers provide Chinese reporting covering just about every conceivable, often controversial, aspect of China from political dissidents, human rights and environmental problems to banned films, AIDS, and even—when new Cultural revolution documents came to light—a documented story on instances of cannibalism by Red Guards.

VOA also broadcasts two hours of Khmer daily. More than 80 percent of the newscasts consist of area issues and about 45 percent of the total programming covers area subjects.

The Khmer stringer reporting from Cambodia has focused heavily on the election process and live reports will be broadcast on the election days, May 23 - 27. Area subjects, often controversial, recently covered by VOA Khmer include the Peace Agreement in Paris, reaction to UN sanctions against the Khmer Rouge, the UN claim that some Vietnamese nationals are still serving with the Phnom Penh army, the alleged killing by the Khmer Rouge of Vietnamese civilians and the denial of opposition party access to the media in Cambodia.

VOA Korean reports have recently covered, in-depth, the North Korean nuclear controversy over Pyongyang's refusal to open suspected nuclear plants to IAEA scrutiny and the country's

United States Information

announced intention to withdraw from the Nuclear Non-Proliferation Treaty. The Korean Service, on the air one and a half hours daily, covered two U.S. Congressional hearings in which U.S. concern was expressed about North Korea's suspected nuclear weapons program. The two principal parties were given an opportunity to present their arguments on the issue to our audience in both North and South Korea in VOA Korean interviews.

In addition to Mandarin, Cantonese, Khmer and Korean, VOA broadcasts in Lao one hour daily. About 35 percent of the newscasts deal with area stories, and more than 30 percent of the total programming covers area subjects. The Lao Service regularly carries news on important issues not available in the Lao media. VOA Lao has reported on Amnesty International's report on human rights violations in Laos, the arrest of three high government officials for demanding Laos be a multi-political party society, Lao opium production, AID and its implications for the agricultural sector in Laos, and a recent VOA symposium on Indochina which examined the present Lao government and the future of Laos.

I would appreciate your making the above information part of the official hearing record.

Sincerely,

Joseph B. Bruns Acting Director



# THE FOREIGN RELATIONS AUTHORIZATION REQUEST FOR FISCAL YEARS 1994-1995

## THURSDAY, APRIL 1, 1993

House of Representatives. COMMITTEE ON FOREIGN AFFAIRS. SUBCOMMITTEE ON INTERNATIONAL OPERATIONS, Washington, DC.

The subcommittee met, pursuant to call, at 10:08 a.m., in room 2172, Rayburn House Office Building, Hon. Howard L. Berman (chairman of the subcommittee) presiding.

Mr. BERMAN. The Subcommittee on International Operations will

come to order.

Mr. Secretary, we are very pleased to welcome you to the subcommittee. It has been the practice in the past for the Secretary of State to present, in a sense, the State Department funding requests, in general terms, to this subcommittee prior to our drafting of the State Department authorization—the authorization for State, USIA, and the other foreign affairs-related agencies. We very much appreciate your willingness to make this appearance.

You have met several times with the Foreign Affairs Committee in the past in formal sessions, and I think all of us have been very impressed by your grasp of the issues and your willingness to exer-

cise leadership in these critical foreign affairs areas.

I am also particularly pleased, since Los Angeles is your home. Ms. Snowe, my ranking Member, got the last Democratic Secretary

of State from Maine, and now I get one from California.

I am going to dispense with any formal opening statement, in the belief that we would like to hear your testimony and take as much of the time as possible to pursue areas of interest for the sub-committee Members.

I would like to advise my colleagues that the Secretary must leave at noon. We will enforce the 5-minute rule on the questions and answers for each Member, and go around as many times as we can before noon. This is an extraordinary opportunity, on the eve of a momentous summit, to pursue the critical foreign policy issues of our day and the agencies that work on foreign policy.

I want to repeat how glad we are to have you. I will now yield

to my ranking Member, Ms. Olympia Snowe.

Ms. SNOWE. Thank you, Mr. Chairman. And I, too, want to welcome you, Mr. Secretary-

Secretary CHRISTOPHER. Morning.

Ms. SNOWE [continuing]. Before our subcommittee for essentially the first time. I appreciate the fact that you are here today, given the demands on your time, and certainly in preparation for the up-

coming summit this weekend with President Boris Yeltsin.

I appreciate the input that you have provided thus far to the committee, and obviously there are a number of questions to address for the authorization process that will be upon us shortly. But we appreciate the efforts that you are undertaking at the State Department. We want to work with you in a cooperative fashion.

There have been numerous studies, as you well know, concerning reorganization of the State Department, both within and outside the Department. So we hope that we have a chance to address those issues, because we obviously recognize that in these times of difficult budgetary issues, we are going to have to do things differently, even within the Department.

So we have got a number of issues to address. We are looking forward to your legislative requests so that we can work expeditiously on these issues in the future. So I just want to express my

appreciation to you for being here today.

Mr. BERMAN. I recognize Mr. Gilman, who is the ranking Mem-

ber of the full Foreign Affairs Committee.

Mr. GILMAN. Mr. Chairman, I thank you for bringing us together at an early date in the authorization process. I, too, want to welcome Secretary Christopher, who has been available to all of us at an extraordinary amount of time when we need him.

I also want to welcome Undersecretary Brian Atwood in his short-lived management role. And we wish him well in both that

role in the new role that he is about to undertake in AID.

Thank you, Mr. Chairman.

Mr. BERMAN. With the context of the situation we face this year, the administration's own budget for foreign affairs assumed a real

freeze over the next 5 years.

The budget resolution, its conference report having passed the House yesterday, and which is expected to pass the Senate today, makes cuts in that particular funding level. Therefore, definite changes are going to be made in terms of living with our new fiscal realities. And with that, Mr. Secretary, why do you not proceed to make your statement?

### STATEMENT OF THE HONORABLE WARREN CHRISTOPHER, SECRETARY OF STATE

Secretary CHRISTOPHER. Mr. Chairman, thank you very much,

and Ms. Snowe and Mr. Gilman, for your warm welcome.

I am pleased to be here. And I have submitted to the committee a statement which I would appreciate having put in the record, if you will. But in order to save time for questions, I will make only a very brief opening statement, Mr. Chairman, and then we can turn to questions. And I will also try to keep my answers short so that you get the benefit of your 5 minutes.

I do appreciate this opportunity to appear here for the first time officially. I have spent time with many of you in informal sessions, briefing you on the developments around the world. But since this is my first official session with you, I want to emphasize how much

I look forward to having a productive relationship with you.

Mr. Chairman, I want to say at the outset how much I have appreciated your personal advocacy in the Budget Committee on the

need that we have to fund our international program. Your support for the 150 Budget Function has been in the finest tradition of cooperation between the executive and the legislative branch, in circumstances that I regard as being of overriding national importance.

I look forward to working with your subcommittee as we seek the resources as well as the management flexibility that are so much

needed in order to carryout our responsibilities in the world.

Mr. Chairman and Members, President Clinton's administration approaches diplomacy based upon the premise that domestic issues and foreign issues are inseparable. We understand that American public support for our effectiveness in leadership abroad will be undermined unless we can come to grips with the serious domestic threats to America's well-being, such as poverty, crime, decay, and unemployment. In that vein, I certainly want to compliment you and all the Members for having passed the budget so speedily yesterday, I think probably in record time.

We recognize that in this new era of tight budgets, our foreign policy institutions and our foreign affairs budget must be considered anew. The State Department, as well as AID, USIA, ACDA are all creatures of the cold war period. Bureaucracies and budgets tend to be resistant to change. But it is also important to remember that those bureaucracies and budgets do not fund themselves. The American taxpayers are certain to require value for their dol-

lars.

At a time when the American public has signalled its willingness to sacrifice for the greater good of the country, we must ensure that our foreign policy investments pay dividends in peace, growth, and the advancement of democratic ideals.

President Clinton has identified three pillars upon which our to-

day's diplomacy must rest.

First, elevating national and global economic strength as a primary foreign policy goal.

Second, updating, modernizing our forces and our security ar-

rangements to meet new threats.

And third, organizing our foreign policy to help promote democracy, human rights, and free markets abroad.

The 150 Budget Function will reflect these three pillars of President Clinton's foreign policy. Regarding our 1994 fiscal year budget request, I would like to make just a few general points before turning to questions.

First, this is a transitional budget. Changes in some of the details are certainly possible; indeed, likely. We intend to work very

closely and cooperatively with you on our requests for funds.

Second, our budget request fully supports the President's eco-

nomic and deficit-reduction programs.

Three, as you said, Mr. Chairman, this is a straight-line budget. The sole exception is multilateral affairs. Our request for annual assessments for the U.N. and other international organizations have been adjusted for inflation. We have made this single exception because the President and I have concluded that millions spent now on multilateral preventive diplomacy and peace keeping may save hundreds of millions of dollars in defense and international relief at a later time.

The opportunities for effective multilateral engagement have never been more promising. We must seize them and act on them

today.

The President is also requesting fiscal year 1993 supplemental funding for growing peacekeeping activities which have already exceeded significantly the amounts that Congress authorized and appropriated last year. We ask for your help in meeting this important need to fund new and expanded operations in such vital areas of U.S. interest as Somalia, the former Yugoslavia, and Angola.

As part of our efforts to strengthen international capabilities for preventive diplomacy and to ensure a rapid response to unfolding crises, we are requesting multiyear peacekeeping contingency funds which would help meet unplanned costs. At a time when we are calling on the United Nations to do more, we simply cannot support

it less.

We are seeking authorization for advance appropriation of arrears to international organizations in 1995. Completing our repayment plan will encourage other nations to pay their fair share. It will also help provide the U.N. with financial stability it needs to do its job better and meet its growing responsibilities. It will also buttress efforts to persuade the United Nations to implement needed reforms.

As you indicated, Mr. Chairman, critical to fulfilling our pledge to use tax dollars wisely is broad-based reform of the State Department. Under the reorganization plan that we are working on, portfolios will be shifted and senior positions created to mirror postcold war missions. Policy making at State will be streamlined. Wherever possible, we intend to force decisionmaking down to

lower levels, to the working level.

I have asked our full management team to focus their efforts on modernizing the State Department. We must assure clearer financial accountability for our operations. We must invest in better training for our personnel, both foreign and civil service. And we must work unceasingly to ensure that the face the Department shows to the world is America's face, in all its diversity. In short, we must remake the State Department in America's image.

We also need to refocus our foreign assistance priorities and programs. I therefore ask Deputy Secretary Wharton to examine the role of aid in the new era, and to make recommendations to me by

the end of this month.

I am sure you will appreciate the importance that the President and I attach to this effort by the fact, as you indicated, Mr. Chairman, we have asked Brian Atwood to take on the leadership of AID. He will be working with you on management issues in the interim, but he will also be moving on to this new responsibility.

Let me stress, Mr. Chairman, my strong feeling that Brian Atwood is exactly the right person for the tough job of reforming and reorganizing AID. Much as we will miss him on the management side, I think that it is common ground between the President and him and me that the AID job is one that has such a high priority, that he looks forward to undertaking it.

I know that our reform agenda, both at State and in the AID area, is a very ambitious one. I have instituted some of the reforms at the State Department—indeed, as many as I could—by directive.

Others will require congressional action through reprogramming or through legislation.

I am very appreciative, Mr. Chairman, of your support in these reorganization efforts. And I assure you of my close cooperation.

Mr. Chairman and Members of the subcommittee, with the end of the cold war, it is time for new policies and renewed institutions that more directly serve the daily needs of our citizens. The needs are as simple, and yet as profound, as a more rewarding job, a safer world, a cleaner environment, and an ennobling pride in our Nation's values.

I know of no better definition of American interests, Mr. Chairman, and no higher goal, as I work with you and all the Members of the subcommittee in the months and years ahead. We are going to be stressing these simple yet profound goals as a more rewarding job, a safer world, a cleaner environment, and a pride in our

Nation's values.

Thank you, Mr. Chairman. And now I will try to respond to any

questions you and the Members of the committee may have.

The prepared statement of Mr. Christopher appears in the appendix.

Mr. BERMAN. Thank you very much, Mr. Secretary. I will recog-

nize myself first for 5 minutes.

As I mentioned to you before the hearing started, a number of us would like to question you regarding specific policy areas, many of which are on the front pages of the newspapers. During this first

round, I would like to focus on organizational questions.

Your original January submission outlined a number of proposed organizational reforms which would improve the State Department's handling of global issues. This has always been one of my pet concerns, because to the extent one can generalize from the specifics, my observation of foreign policy formulation in the early, mid, and late eighties was that the focus on bilateral relationships seemed to dominate global concerns, whether they were environmental, proliferation, human rights, terrorism, or narcotics. Iraq being the most vivid case, did focus on the bilateral relationship and the relegation of these broader issues which cut across country lines and geographic lines, and ended up leading us into a very bad situation.

I was wondering if you could elaborate on your vision in this area, and what you see-what you mean-in terms of creating a more effective attention to these kinds of global issues within the State Department bureaucracy. Please explain what you mean in your statement, to push foreign policy formulation decisionmaking authority downward. What you envision in your efforts to reduce the proliferation of Deputy Assistant Secretaries of State.
Secretary Christopher. Thank you very much, Mr. Chairman. If

I could step back just a few paragraphs, or maybe a few weeks, I

can perhaps give you some context for that answer.

When I was in Little Rock in December, to my surprise and to my considerable pleasure the President asked me if I would undertake this job. And so my attention began to turn to the State Department and away from assisting him in trying to do the research necessary to complete his Cabinet. And so starting around Christmas time I began to think about the State Department very in-

tensely.

And one of the things I was struck by was that the State Department's organization, as I look back at it, was substantially the same as it had been when I was in government from 1977 to 1981. Now, I certainly mean no criticism of my predecessors, but there had been very many changes in that 12-year period. And one of the things I came to Washington resolved to do was to try to bring the State Department into the era that we are now in; into the new era.

And among the changes that had taken place, of course, was the end of the cold war. But beyond that I think was the growing importance of global issues. And I was not surprised but very pleased to find that my own instinct about this was confirmed, and indeed spelled out in some of the studies that had been made at the very same time. For example, the study called State 2000 took that same basic position, as did the very effective study by a Carnegie organization that was headed up by our now, or soon-to-be Assistant Secretary, Winston Lord.

So I looked at those. And as I say, confirmed my feeling, and

helped give me a sense as to where we ought to go.

One of the results of that was the creation, which has not yet been fully ratified in legislation, but I hope will be, of an Undersecretary for Global Affairs. As you know, we are going to use, temporarily, the Counselor's position for that until that can be, I hope, confirmed in legislation.

That undersecretaryship will give the Department an address to these global issues that will be concentrated in a single office, a single person. And under that heading will be such matters as, as you indicated, the environment, human rights, population, refugee

matters, narcotics, and terrorism.

Each one of those is an issue that cuts all the way across. It does

not end at any of the regional bureaus.

Another thing that was very high on my list was to find a unified home for antiproliferation efforts since we were and are very concerned about the proliferation of weapons of mass destruction. These efforts were scattered through a number of bureaus in the Department. What we are doing is to pull them all together under the Undersecretary for Security Affairs, particularly in the PM Bureau—Political and Military Affairs Bureau. But to give it a cohesiveness under Secretary Lynn Davis, who was confirmed yesterday.

I am sorry to be taking so much of your time, Mr. Chairman. I will just say one more thing. And that is that I was rather stunned to find that the number of Deputy Assistant Secretaries had grown from the time I was there, when it was about 70, to about 120. And that tied in with criticism I heard when I began to talk with Department officers that the clearance process—that is, getting a doc-

ument cleared—turned out to be an almost endless endeavor.

So I thought we could cut through that by eliminating a number of the Deputy Assistant Secretary positions, and put the responsibility back down on the office directors, the people with the greatest day-to-day expertise.

I also found, unfortunately, that a number of these Deputy Assistant Secretaries seemed to me to have been created in order to satisfy a political need. In other words, there needed to be some balancing within a particular bureau. That did not seem to me to be a very satisfactory reason. So we are proposing to cut back about 40 percent of the Deputy Assistant Secretary and equivalent positions and titles. That is a major cut, from about 120 down to about 75 or 80. And I think that will have the very favorable effect of pushing the responsibilities down on the office directors.

Obviously, it is not pleasant for the Deputy Assistant Secretaries whose positions are being abolished, and there is a natural criticism of that. But I think it is a very constructive step to be taking. And frankly, the Department is receiving it very well. I think peo-

ple recognize the importance of it. Saves a lot of money, too.

Mr. Chairman, I apologize for taking so much of your time.

Mr. Berman. That is fine. Thank you, Mr. Secretary. I just might mention to the Members of the subcommittee that as we move to marking up a State Department Authorization Bill, it will be my hope to give the Secretary as much flexibility as possible to organize the Department in ways that allow him to meet the tremendous budget constraints, to allow as many dollars as possible in a much-constrained foreign affairs budget to go into the kinds of programs, whether they be in Russia or other parts of the world, as we need to do. And that it is only fair, if we are going to ask you to live within those constraints, to give you the flexibility to manage the Department in a way that best allows you to conserve those dollars

I recognize ranking Member, Ms. Snowe.

Ms. SNOWE. Thank you. Mr. Secretary, as I understand it, the President is going to be unveiling a package at the summit this

weekend for Russian aid and support.

I would like to know exactly what is the status of the aid that we have already approved in Congress over the last 2 years. My concern stems from the fact that much of the money that has been approved by Congress has yet to be spent. I am also concerned about the difficulties in the coordination of distributing that assistance to Russia, and what is happening to that assistance once it gets to Russia.

So is there any way that you can tell the subcommittee today exactly what has happened to the money that we have already approved? As I understand it, only about 6 percent of the \$652 million that we have approved over the last 2 years has actually been expended on Russian assistance. There has been another 36 percent that has been obligated, but as of yet, obviously has not been

spent.

So can you tell the subcommittee exactly what has been the sta-

tus of the assistance?

Secretary Christopher. Ms. Snowe, you are certainly right that only a relatively small fraction of the money that has been appro-

priated has yet been spent.

We are determined that that situation be brought to an end. I think that is one of the reasons why when the President does spell out his package today at the summit, you will find a concentration on making the best use of existing funds, rather than seeking vast

amounts of new funds.

With respect, for example, to the Nunn-Lugar funds, set forth for the dismantlement of the Soviet nuclear activities and facilities, there were bottlenecks on the Russian end, and I am afraid there were bottlenecks on this end, that prevented those funds from being obligated or going forward. That situation is improving. I think the bottlenecks at this end will be, I think, handled quite briskly. I think we can get support from the other end, as well. So I see that moving forward rather quickly.

The other funds, the new set of programs will be advanced to use the existing funds. These will be programs that are tangible, downto-earth, realistic, practical programs, nonideological programs, which will be put forward at the summit and discussed with Mr.

Yeltsin.

One of the things that the President wants to do at the summit is to talk with President Yeltsin, and find out what he thinks can be most effective, how he thinks it could be most effective on the ground. And that is one of the—I would say that will be a centerpiece of the summit discussions. President Clinton plans to use those funds as effectively and quickly as possible. The nomination of Strobe Talbott as Ambassador-at-Large to coordinate this, I think gives it an urgency and priority that will serve very well in getting those funds put forward. As you know, Ambassador Talbott has a long relationship with the President, and I am sure that we can expect some real activity on this front.

One thing I would say about this partnership or cooperation with Russia. From the very first time I began talking with foreign policy about President Clinton, this has always been a priority for him. He always said that although he had to make domestic economy and health care his first priorities, he recognized that the relationship with Russia was an important security interest for the United

States, and we had to devote time and resources to that.

So I think what I can tell you is when you see the program unfold, you will see us using those funds promptly and briskly and effectively.

Ms. Snowe. So there will not be an additional request for assist-

ance? It is just going to be the already-approved funds?

Secretary Christopher. Ms. Snowe, I really am not in a position here to tell you exactly. But I can tell you the concentration. The core of the program will be to use effectively existing funds and existing authority. And then as the President talks to President Yeltsin and finds out what will be most useful, then I think we will turn to reformulating a program, and also to dealing with our allies, trying to find out what we can do on a multilateral basis.

Ms. Snowe. I agree. I think that it should be coordinated with our allies. And I appreciate the approach that you are taking with respect to what would be the best use of our money in Russia. I think that the more technical programs and technical expertise that we can provide them, the better off they will be in sustaining

market reform in Russia.

What will we be doing with respect to emphasizing the kind of reform that President Yeltsin should undertake in Russia? Very few dollars have been expended through the IMF for Russia be-

cause they have failed to implement any economic reforms.

Recently the Investors Business Daily indicated that there is approximately \$2 billion worth of capital flight monthly in Russia. So what are we going to be doing to insist upon economic and structural reforms in Russia so that it discourages that kind of capital flight, making sure that we do not lose our funding that we provide to Russia? And secondly, if they will be able to make use of the funding that has been provided through the International Monetary Fund?

Secretary CHRISTOPHER. One of the higher priorities, Ms. Snowe, will be to try to bring under control the inflation that is taking place there which is verging on superinflation. It is hard to believe, but inflation has been running as high as 1 percent a day; not 1 percent a week or 1 percent a month, but 1 percent a day. That

clearly has to be brought under control.

The Central Bank is a principal problem, and one of the things that President Clinton will be talking with President Yeltsin about is how to bring that under control. Frankly, the international financial institutions, the United States, our multilateral partners, can do very little there unless there are some steps taken by Russia to bring under control inflation, to get their own economy in order so that the funds we put in can be meaningfully used.

Now, that obviously is a problem that we are going to have to discuss with President Yeltsin to see what is possible, what is practical from his standpoint. But President Clinton will be going to Vancouver with the need to bring inflation under control, with the need to have an economy in a shape that we can help as a high

priority for his discussions with President Yeltsin.

If that can be done, then the IMF money, which is just available there, if Russia will bring its own economy under control and meet those conditions; if that can be done, we can move forward very rapidly. And I think the whole multilateral effort really is keyed to their giving us the foundation from which we can effectively provide assistance.

Ms. SNOWE. OK. Thank you, Mr. Secretary.

Secretary CHRISTOPHER. Thank you.

Mr. BERMAN. The Chair's procedure will be to recognize Members of the subcommittee, in order of seniority of bidding on the sub-committee, with the exception of the ranking Member of the full committee, Mr. Gilman.

Mr. Faleomavaega, the gentleman from American Samoa.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman. I, too, would like to offer my personal welcome to you, Mr. Secretary, for visiting with us this morning, and some of the broad issues that we are

currently under consideration by the subcommittee.

Mr. Secretary, it has been my experience over the years, seemingly the operations of the State Department seems to run separately from our activities in trying to promote exportation of U.S. products and commodities to other countries. And let me point an example of this in my raising the question. Are we really that serious about promoting exportation of U.S. products to other countries?

It seems that we really are not an export-oriented country when it comes to this one issue. And I raise this as an example. There was a gentleman from China that wanted to purchase 994 1992 Chevrolet vans. Well, after being given the runaround by General Motors, quite interestingly, price quotes ranged from \$20,000 or \$23,000 per van. And to his surprise, he was able to get the same van for \$14,000 per van in Germany. And you are only talking about a \$14 million deal here.

As far as our efforts being competitive, if this is what we are really serious about, and to illustrate the example in my recent visit to our Moscow Embassy, we had the whole Department of Commerce physically located separate from our Embassy. There seems to be no correlation or real serious coordination between our export efforts in the Department of Commerce with that of the

State Department. And correct me if I am wrong on this.

But I just wanted to ask you if the administration is going to take serious efforts to provide better coordination and better efforts to see that our businesses in the country really gets the kind of services that they should get, if we are serious about being an expert-oriented country. And I wanted your comments on that.

Secretary CHRISTOPHER. Mr. Delegate, that is a very easy question for me to give an unqualified yes to. But let me go a little bit beyond that and tell you that export promotion has to be a very high priority for us, not only for what we can do, but for what com-

panies in the United States can do.

Your description of the General Motors example I think is perhaps a very good example of how American business has got to be more aggressive, more flexible in dealing with exports. Without wanting to criticize any particular business, it may be that the example you mentioned is one of the reasons why General Motors has found great difficulty in this period. They may not have been as aggressive or as effective as they should be. My guess is that under new leadership and under the pressure from their Board of Directors, will find a more aggressive export promotion.

As far as the State Department is concerned, I can assure you that I am sending that signal as strongly as I can. First, that our embassies are required to assist American business where it is appropriate to do so. And that means that where an American company is searching for a job in a foreign country, our Embassy

should really turn themselves inside-out to be helpful.

I have tried to provide some example on this by myself, on my recent trip to the Middle East. In at least two countries I brought up specific American companies who I knew were competing for massive contracts, and urged the consideration of them in the strongest terms. And I intend to continue to do that.

I think unless the top officers at the State Department show their willingness to do that, show their willingness to roll up their sleeves and get their hands a little dirty, our Ambassadors and our

Embassy officials may not do so.

As far as the coordination between State and Commerce, I am afraid that in the past there has been a competitive relationship there to some extent. I have talked to Secretary Brown about that, indeed as recently as two nights ago when we were having dinner at the same place, to indicate we must bring an end to this com-

petition between State and Commerce, and work closely together. Get in harness and pull together.

So thank you for your question.

Mr. FALEOMAVAEGA. Mr. Secretary, I have the utmost respect for the chairman, and I could not agree with him more in terms of the budgetary constraints and the problems have certainly given the Department more flexibility, especially with the limited resources.

Department more flexibility, especially with the limited resources. In many instances I find myself like I am the Lone Ranger, representing the interests of our friends in the South Pacific, for obvious reasons. And I want to express my appreciation to Mr. Atwood for giving full consideration of the fact that there was an attempted move to close three little embassies and consulates in the South Pacific. I realize the numbers are not there. But my recent visit to Slovakia and Albania, I find it difficult to justify. Where does fairness and equity come in when some of these island countries have been in existence for over 30 years? And all of a sudden we just pluck them out. And these countries have been only here yesterday, and we seem to move in that sense.

And I just wanted to ask you, how do you determine ultimately in saying, is it for convenience? Where does fairness come in on which embassies ought to be closed and which ought to continue in terms of power, diplomatic interests in promoting democracy and humanitarian efforts? In all the regions, rather than just particu-

lar.

Secretary Christopher. Well, Mr. Delegate, those are painful and difficult choices for us. We are living within a very constrained budget. Indeed, it is kind of a zero-sum game for us.

The main considerations we take into account are the security of the United States and service to the American people. Both of

those are very important to us.

For example, when the former Soviet Union broke into about a dozen separate parts, we looked at that situation very carefully. There was a temptation to try to treat it regionally; that is, to have maybe 4 embassies for 12 countries. But we concluded that that did not give sufficient dignity to each of those independent countries, which desire in this period quite urgently to be treated as independent, sovereign, individual countries.

So when we decided to open embassies in each of the newly independent states, something had to give. We had to go down our budget, and the proposals for closing consulates and embassies around the world are based upon our decisions as to where we would have to cut back somewhat if we were to stay within our

budget.

As I say, the criteria that I look at is the security of the United States and our service to the American people.

Mr. FALEOMAVAEGA. Thank you, Mr. Secretary.

Mr. BERMAN. I recognize the gentleman from New York, Mr. Gilman, the ranking Member of the full committee for 5 minutes.

Mr. GILMAN. Thank you, Mr. Chairman. Mr. Secretary, we laud your efforts in trying to reform the Department, make it more streamlined, more effective, get better communications, and better handling of matters through channels.

I note that you are creating a new Bureau of Narcotics, Terrorism and Crime, and combining a lot of critical issues into one bu-

reau. Many of us have been very much concerned that we have not heard very much out of the new administration with regard to our war on drugs. Of course, it is still a very critical problem, and a growing problem. I know that there has been a review of where we have been and where we are going. I would hope that you might make some comment about the necessity for giving a great deal of emphasis to this very critical issue.

Secretary Christopher. Mr. Gilman, we certainly will be focusing on that issue. We think that we have a strong responsibility in the international field to do our part with respect to the narcot-

ics issue.

It seemed to me that we would strengthen it if we brought it under an Undersecretary for Global Affairs, because it is a crosscutting issue. It is not an issue that is based on a single region or a single country. It has ramifications in Asia. It has ramifications obviously in South America. It has ramifications in the Caribbean, and all over the world. So I think it is wise to try to treat that on

a global basis.

And it is also fairly clear, Mr. Gilman, that our programs in the past have not been sufficiently successful. I am sure they have been pursued with great sincerity and great diligence, but they have not been successful in helping our Nation to rid itself of the scourge of drugs, which I think anybody who comes from Los Angeles, as Mr. Berman and I do, are very much aware of that problem and are aware of its international dimension.

The best thing I can say to you is that as long as I am at the Department, we will have a heavy focus on narcotics matters, and we will give it our very best attention. And hope to find some new

programs that can be more effective than those in the past.

Obviously it is a problem that has really troubled our Nation for more than two decades now, without perfect solutions having been devised. But the President will be nominating someone to provide a governmentwide focus to this. And we will be cooperating and doing our part from the international sense.

Mr. GILMAN. Well, I am pleased to hear you are focusing attention on that issue, Mr. Secretary. It certainly needs the best of all of us, and particularly a leadership role at the administration level.

Mr. Secretary, one other question. We understand that Deputy Secretary Wharton has been conducting a full-scale review of foreign aid programs with the objective of developing some reforms once again. Can you outline some of the AID-State organizational concerns that are under review?

Secretary Christopher. Mr. Gilman, one of the principal problems that I see is that, with all good intention, the purposes of AID became far too diverse. I think there were over 30 separate pur-

poses that AID had.

Well, when you have purposes that are that diverse, it is almost impossible to get the kind of focus, the kind of concentration that is necessary in order to have an effective program. And so part of this analysis will be to try to narrow the purposes to a handful, well under 10, so that whenever you are looking at a particular grant you can ask, with some sensitivity, does that particular grant carryout the purposes of AID.

Now, I will of course be consulting very closely with Congress, because it would be just foolhardy for us to try to devise those purposes without getting the advice and consultation from Congress. But I hope we can narrow down, get some concentration and focus, so that thereafter every single grant that has been made will have to be justified as within one of several validated purposes.

I think there has also been an absence of tough management within the AID bureaucracy. And we would like to introduce some additional business practices into the AID program, so we make sure that we are getting our money's worth for the aid that is ex-

pended.

The Russian case, Mr. Gilman, is certainly a textbook example of the need to use our aid in order to promote American interests. Those grants that will be made to Russia, if and when they are made, are not charity; they are not a hand-out. They are to promote America's interests; to keep us from having to go back to a situation where our defense budgets were enormous. To keep a market open for a U.S. business.

Over the next decade, if Russia stays on its course of a free market, I think that that can provide a great opportunity for the growth of our economy. So that is I think a classic example of how our aid needs to be focused on our purposes of promoting democracy, of encouraging free markets, of encouraging steps to provide

for our own security.

Mr. GILMAN. Thank you, Mr. Secretary. Those are laudable goals. We look forward to working with Secretary Atwood in refining these programs to be more effective. Thank you.

Secretary CHRISTOPHER. Thank you, Mr. Gilman. Mr. BERMAN. The gentleman from California, Mr. Martinez.

Mr. MARTINEZ. Thank you, Mr. Chairman. Mr. Secretary, for the past couple of decades we have provided monies to the United Israel Appeal for grants that are administered through the Refugee Migration account for resettling Jewish refugees in Israel.

And for the fiscal year 92/93, we provided a certain amount of money. Many of my colleagues supported this. I think the Congress overall supported this. And there, I believe, was widespread sup-

Mr. Secretary, do you and the President want to continue the

current level of funding for that particular fund?

Secretary CHRISTOPHER. Mr. Martinez, your microphone was not picking up the program that you referred to. I wonder if you could repeat again what program you were talking about. I missed your first sentence, perhaps through my inattention.

Mr. MARTINEZ. Well, let me do it again. For the last couple of decades we have been providing monies to the United Jewish Appeal. That is for grants that are administered through the Refugee

Migration account for resettling Jewish refugees in Israel.

And I was wondering, since you were talking earlier with my col-league about looking at all the aid and the programs and the grants we provide, because again you said, too, also, that you would be looking at Congress for advice and support for your particular cuts, or the programs you do not cut.

And I am wondering that if, from that particular area, because you talked also about more bang for our buck. And I think that supporting Israel in the area that it is one of the only true democracies there. And if you look at it as an investment, it is not made into a military base in the area, you can get more for your dollar in providing the expense of a military base there, than you get the equivalent of.

So I am just wondering if you and the President, and I guess Deputy Secretary Wharton is going to be the one that is going to be reviewing this, do you have now, at this time, could you tell us

what kind of feeling you have about that particular fund?

Secretary CHRISTOPHER. Thank you, Mr. Martinez. I am sorry to ask you to repeat that. I heard it well the second time.

Mr. MARTINEZ. That is all right.

Secretary Christopher. The President intends to ask for the same level of funding this year for Israel as last year. Without commenting on any specific program within that overall level, I would say to you that there seems to me, based upon my trip there, there is very strong need for continued funding for refugee programs.

Israel has taken a great burden there for refugees from the Soviet Union and elsewhere. So I think that there is every likelihood that we will continue that very positive program, because it is so important to the strength of the democracy in Israel, which we

have such a large stake in.

Mr. Martinez. Thank you, Mr. Secretary. Mr. Secretary, one more question. You know, Saudi Arabia and Kuwait, who have received considerable help from us in the past, will not renounce the Arab boycott against Israel. And even though we fought to protect the sovereignty of Kuwait, they do not recognize the sovereignty of Israel.

More than that, hundreds of American firms are blacklisted from doing business in most of the Arab world because those firms refuse to comply with that boycott, with the Arab boycott of Israel.

And yet we sell them arms, Saudi Arabia and Kuwait especially. Do you not think it is time that we conditioned the sale of those arms to those Arab countries that continue to boycott Israel and

blacklist our companies?

Secretary Christopher. Mr. Martinez, I just want to agree with the general premise of your question. It seems to me that Saudi Arabia and Kuwait ought to be asked to at least eliminate the secondary and tertiary effect of the boycott, so that it does not result

in discrimination against American firms.

When I was in the region recently, I made that point strongly, both to the King in Saudi Arabia and the Emir in Kuwait, telling them that I found it very hard to explain to American businesses why we should have provided so much help for both of those countries in their hour of need—plus continuing help—and yet they continue to discriminate against American businesses.

I was not entirely satisfied with the response I got. And so I urged our Ambassadors to go back on that issue. I think the maintenance of the Arab boycott against, especially, as I say, against American firms through secondary and tertiary effects, is highly undesirable and not justified. And I will continue to press that

point.

The conditionality aspect of it involves a lot of consideration. But let me emphasize to you my own strong conviction that the boycott is not justified, and those countries with whom we have so many relationships should at least cease the secondary and tertiary effects of them.

Mr. Martinez. Thank you, Mr. Secretary. Thank you, Mr. Chair-

man.

Mr. BERMAN. The gentleman from Florida, Mr. Diaz-Balart.

Mr. DIAZ-BALART. Thank you, Mr. Chairman. Mr. Secretary, I would like to commend you for the leadership and the great expertise that you have already demonstrated in the budgetary and management process required for running American foreign policy.

I also would like to appreciate publicly your statement made in our previous meeting, that you and President Clinton will bring up with President Yeltsin the deep concern of many of us with regard to Russia's continued provision of oil to the Communist Govern-

ment of Cuba.

As you know, Mr. Secretary, the 1992 Freedom Support Act requires that the President, in providing economic assistance to Russia, take into account the extent to which Russia is acting to terminate support for the Communist regime in Cuba, including ceasing trade subsidies and economic assistance. It is very important that President Yeltsin understand that it is necessary for Russia to stop supplying oil to the Cuban regime if President Yeltsin is to be able to develop a true consensus of support in the Congress and in our country for the future.

So I wanted to appreciate the previous comment and recognition

of the importance of this matter.

Secretary Christopher. Thank you, Congressman. We will definitely do so. The President is committed, as am I, to a faithful observance of the Freedom Support Act.

Mr. DIAZ-BALART. Thank you, Mr. Chairman. No further ques-

LIOHS

Mr. BERMAN. I thank the gentleman. Next, the gentleman from New Jersey, Mr. Andrews.

Mr. ANDREWS. Thank you, Mr. Chairman. Welcome, Mr. Sec-

retary.

Secretary CHRISTOPHER. Good morning, Mr. Andrews.

Mr. Andrews. I want to ask you a question about aid to Russia that involves the fostering of democratic principles rather than the provision of money or technical assistance. And it involves the issue of public diplomacy.

I know that as an administrative matter, our instrumentalities of public diplomacy do not come under your direct control, as a general rule. But I think the issue is an important one when consider-

ing our broad policy.

I wanted to ask you whether you think there is a continuing role for public diplomacy in the former Soviet Union and the new republics and the Eastern European countries. And if so, with particular reference to surrogate broadcasting, whether you think that surrogate broadcasting is a part of that role in public diplomacy.

surrogate broadcasting is a part of that role in public diplomacy. Secretary Christopher. Yes, Mr. Andrews, I do think there is a very important role for public diplomacy in connection with not only Russia, but the Newly Independent States. The States, especially those in Asia, are ones that very much need to hear the message of American democracy and American free enterprise. So

many of them are just moving into a period where they are grasping the fundamentals of democracy and market reform, and I think

public diplomacy can be very important for that.

Second, I think that surrogate broadcasting continues to have an important place. There are questions about the modalities, there are questions about the effective use of funds. But I have no question about the importance of continuing to have surrogate broadcasting as one of the tools we can use in our public diplomacy.

Mr. Andrews. The second question. With respect to the connection between the work of your department in dealing with international terrorism and the work of domestic law enforcement agencies, there have been media reports that HAMAS has had signifi-

cant assistance from sources within the United States.

To the extent that you could tell us without jeopardizing any security considerations, what kind of activities does your department have to work with the FBI and/or other domestic entities? And what plans would you have in expanding those activities to try to identify activities within this country for HAMAS and the export of international terrorism?

Secretary Christopher. Mr. Andrews, the principal responsibility for identification of possible support for HAMAS from American sources, of course, would be with the law enforcement agencies, not

with the State Department.

Nevertheless, our Bureau of Intelligence and Research and our Near Eastern Bureau follow this matter very closely. And we try to coordinate the information we might receive on an international level with that which is turned up by the law enforcement agencies, especially the FBI, that have principal responsibility in this area.

And the case that you are mentioning is one that is being followed very closely. I would say that there is not any definitive information on that subject at the present time, but we are continuing to follow it, continuing to examine it in the light of the activities of HAMAS around the world, which I have said have taken an unfortunate turn in the direction of terror.

Mr. Andrews. Final question. To the extent that you would be willing to do so, I wonder if you could venture an opinion as to whether you believe a bilateral agreement between Israel and Syria would have significant destabilizing effects on the Syrian

Government domestically.

Secretary Christopher. That does challenge me to try to assess

the effect on Syria of a bilateral agreement.

To put it in a little broader context, we certainly hope that the parties will come back to the bilateral negotiations here in Washington on the 20th of April. We hope that the Syria/Israeli negotia-

tions will be restarted, as all the bilateral negotiations.

It seems to me that the question you asked is peculiarly within the competence of President Assad and the other Syrian officials. When I was there in their country, they expressed a great desire to get back to the bargaining table. They see this as a one-time opportunity to resolve, possibly resolve matters between themselves and Israel in the context of all four of the bilateral negotiations.

I feel quite sure they would not be venturing down that road unless they felt confident of what they were going to do. So I would have to say that I think that they are the best ones to assess that problem, rather than my trying to assess it. We want to be an honest broker, but worrying about the effect on their security, I am not sure that comes within our honest brokerage.

Mr. ANDREWS. Thank you, Mr. Secretary.

Mr. BERMAN. There is a vote. It is the Chair's intent to keep the hearing going. Mr. Levy of New York, for 5 minutes.

Mr. LEVY. Thank you very much. And good morning, Mr. Sec-

retary.

Secretary CHRISTOPHER, Good morning, Mr. Levy.

Mr. Levy. Mr. Secretary, when asked recently about conditions for resuming the U.S./PLO dialogue, a senior administration official invoked a statement that President Bush made in January of 1990 suspending that dialogue. At that time the President said that the dialogue would only be resumed pending a satisfactory response from the PLO of steps that it had taken to resolve problems associated with recent acts of terrorism. Particularly, the May 30 terrorist attack on Israel by PLF, a constituent group of the PLO.

I am concerned that some may wrongly interpret the U.S. official's recent comments as indicating that the PLO needs only to address and renounce that one attack, and not all of the other PLO and constituent group terrorist attacks that have taken place since

that time.

I am just wondering what your comments are. Actually, I am eager to get some kind of a reassurance from the administration that the United States will consider resuming dialogue with the PLO only if the PLO adheres to Arafat's 1988 renunciation of all terrorist act.

Secretary Christopher. Mr. Levy, I want to give you reassurance on that point. My understanding is that the reason the negotiations were broken off was because the PLO had not followed the commitment that they made for a renunciation of terrorist acts. And I would think, without wanting to be tied down to great precision in the matter, without having an opportunity to look at the circumstances at the time, that we would be following not the narrow context of the one matter that caused the break-off, but looking at the broader context of terrorist action that might be attributed to the PLO.

So we do not have any intention of changing the position. And if there ever would be an intention to do that—and that gets into one of those hypotheticals that probably is not very valuable—it would be in a broad context, and not limited to a single event.

Mr. LEVY. Let me shift gears with you for just a moment, and go back to something that you said in your opening statement with respect to the amount of money that the United States needs to contribute to the United Nations and other international organizations.

You said, as part of your statement, that completing our repayment plan would encourage other nations to pay their fair share. And I am wondering if that is something that the administration believes intuitively, or if there are other nations out there that have said that if the United States does a little better, that they would follow our lead.

Secretary CHRISTOPHER. I would say it is more an intuitive matter. It is more of what handicaps you have when you begin to make

arguments.

If you go to some of our principal trading partners or other major nations who are in arrears and try to press them to pay up; if we are also in arrears, it makes it an almost impossible point of advocacy. And so I think that we need to be paid up. We need to be paid up for the best reasons; and that is, the United States is putting so much emphasis on the United Nations, we are depending so much on them. For us not to be paying our dues I think puts us in really a very unfortunate moral position, as well as a poor advocacy position with others who are behind.

Mr. LEVY. I agree. And I thank you, Mr. Chairman. In the interest of not blowing off the vote, I will yield back the balance of my

time.

Secretary Christopher. I do not want you to blow off any votes

on the President's budget. [Laughter.]

Mr. BERMAN. This is on approving the journal, which records the fact that we did not blow off the vote on the President's budget yesterday.

The gentleman from Florida, Mr. Johnston.

Mr. Johnston. Mr. Secretary, I will be very brief. Just two quick—

Secretary Christopher. Good morning, Mr. Johnston.

Mr. JOHNSTON [continuing]. Parochial observations, and then one

question.

As subcommittee Chair of Africa, Africa has been off of the political map for the last decade. It gets \$900 million in aid. There are 600 million people on this continent. And so I ask that that be reviewed.

The other observation is, you are quite correct in had it not been for the Chair on the Budget Committee, foreign assistance and foreign aid would have taken quite a beating this time.

Mr. BERMAN. If I can point out, there was a great deal of help

from the gentleman from Florida on the Budget Committee.

Mr. JOHNSTON. You are very kind. I would be interested in asking that, in order to help us, this is going to be one of the toughest votes we have this year, because everyone wants to know why foreign assistance is not in the same tank with everything else. And I think it would be interesting if you could provide a state-by-state breakdown of how foreign aid dollars are spent back in each state. And I think that would help us tremendously. And if you would center on Florida, I would be very appreciative.

My question, Mr. Secretary, is in the proposed State Department reorganization plan—I guess I have just read part of it, section 4(d)—you merge the Bureau of Communications and Information Policy into the Economic Bureau, and downgrade the position of

Coordinator.

It is my understanding that the U.S. telecommunications industry has sent you many letters on this, and are very much opposed to this, and have written to you to express their concern. Can you explain to the committee how this merger will do anything to enhance the way the Department is able to manage this critical issue by downgrading this function?

Secretary Christopher. Thank you, Mr. Johnston. Incidentally, thank you very much for your help on the budget. I certainly am thinking the chairman did not mean to exclude Members of the committee who assisted, as I know you did.

We will work on a state-by-state analysis of how foreign aid dol-

lars are spent in the hope that that may be helpful.

I would like to comment, Mr. Johnston, that putting the telecommunications job under the Economics Bureau is really part of my philosophy. First, I found when I returned that there were a lot of free-standing assignments, roles that were important, but were not within the structure of the Department. And I am sure each one of them seemed to make sense when they were created.

But as a management idea, I think it is not very wise to have something standing out there all alone that is not part of the structure. When it is first created, it may have a very high visibility. But what I found—and particularly on that job—was that if it is not part of one of the regular bureaus under one of the Under Sec-

retaries, it gets lost.

And my recollection of that particular task when I was in government before, and there came one of those very important international conferences, that we had to go out and find somebody to

represent the Department.

And so my general concept was to bring those functions within the bureaucracy, within part of one of the bureaus, so they would get proper attention and have proper leadership. That is, I think that does not downgrade the function; it regularizes the function. And I think it will work better that way.

My own great concern is in big bureaucracies, to have functions

that one day were important turn out to be lost in the shuffle.

Thank you, Mr. Johnston.

Mr. BERMAN. Since the Republicans apparently are more fastidious about their voting obligations, we will recognize the gentleman

from California, Mr. Lantos.

Mr. Lantos. Thank you very much, Mr. Chairman. Mr. Secretary, let me begin by commending you for getting off to a superb start. I have been a Secretary-of-State watcher since Dean Atchison, and I want to tell you have done an outstanding job. And I want to compliment you.

Secretary CHRISTOPHER. Thank you, Mr. Lantos.

Mr. LANTOS. I should add, the President has gotten off in the international field in an outstanding fashion. I want to compliment him.

In a sense, your most serious problems, Mr. Secretary, are residual issues stemming from what I believe are major foreign policy failures of the previous administration. The collapse in Yugoslavia, where there are no good solutions any more; there were excellent solutions a year and a half ago. And the enormous difficulties in Russia and in the other republics of the former Soviet Union.

And as you know as well as I do, history rarely gives us a second chance. And you and the President are struggling against great

odds with a situation that is not of your own making.

But now this is your watch. So allow me to deal with some issues that relate to your watch.

As you know, on two previous private occasions, I raised the question of approaching both Kuwait and Saudi Arabia to participate in a major way in providing aid to Russia. It is my judgment, Mr. Secretary, that had we not come to their aid, the Emir of Kuwait would now be living in a villa on the French Riviera, and his neighbor would be the King of Saudi Arabia. And Kuwait and Saudi Arabia would be respectively the 19th and 20th provinces of Irag.

Now, I asked you, Mr. Secretary, in private session twice, and I strongly urged you, as I did the President at the working dinner last week, to get in touch with the Emir of Kuwait, the King of Saudi Arabia, the President of Taiwan, and all of our friends who, unlike we, are blessed with enormous resources at this moment to

participate in this effort.

You know as well as I do, Mr. Secretary, that the history of reform and democracy in Russia is not a very encouraging one. Yeltsin is fighting for his life. The chances of Yeltsin's survival or democracy's survival or reform's success are certainly no better than even.

And as you have heard from the questions earlier today, and all over the Hill, there is an understandable and salutary concern here for tax dollars. We have a very limited amount. And the amounts we are talking about, in the scheme of things, are negligible. West Germany last year spent over \$100 billion on East Germany, 17

million people, to lubricate the process of reform.

I have a very specific question, Mr. Secretary. Have you or has the President gotten in touch with these wealthy countries? What has been their response? Because I think the American people are entitled to know whether countries whose very survival is the result of courageous and intelligent U.S. action are coming through when we need their help.

Secretary Christopher. Mr. Lantos, thank you. You are quite right that you did raise that question with me privately. And I went back to the Department and found that both Saudi Arabia and Kuwait had participated to some extent in the consortium to

assist Russia in the past.

But the levels at which they participated are really not a fair measure of their capacity. It can be said, of course, that Saudi Arabia is having its financial problems, as well. They are beginning to run a deficit. But that also—

Mr. Lantos. They are credit-worthy. They are capable of borrow-

ing against their resources, without much trouble.

Secretary Christopher. You are quite right, Mr. Lantos. And you will be, I think, pleased to know, and probably surprised, that communication does work within this government, because the President and I only yesterday exchanged comment indicating that you had made that point to both of us. So we are very much aware of it.

The way we will approach that, Mr. Lantos, is that the President will be talking with President Yeltsin over this weekend, trying to determine what can be most useful. Trying to determine, also, whether Russia is prepared to take those steps that would make

an international consortium worthwhile and practical.

And once we determine that, you can be sure that we will go to countries like Kuwait and Saudi Arabia to participate in what we hope will be an international consortium to come in behind reforms that Russia will take. We have that very much on our mind. They are on our list.

Mr. LANTOS. I am deeply grateful and encouraged by your response. If I may ask one more question, Mr. Secretary. This again relates to a period when you were not in office. So please understand that the critical nature of the comment has nothing to do

with your tenure or President Clinton's tenure.

In the subcommittee that I chair that deals with international terrorism, we had, among others, a witness from your department, the Acting Assistant Secretary for Consular Affairs. And I raised with him the issue of how an individual who was implicated in the assassination of former President Sadat of Egypt, who has been calling for killing tourists to Egypt, who is fomenting hate, violence, and mass killings, was given visas on two occasions by our consular staff, once in Cairo and once in Khartoum.

A few days ago, Mr. Secretary, I wrote a letter to you, which you obviously have not had a chance to see yet. But I want to merely

call it to your attention.

We are calling for an Inspector General's investigation of the circumstances that allowed individuals who are potentially deeply implicated in the World Trade Center terrorism, and are publicly calling for terrorist acts—the overthrow of a friendly government, the Government of Egypt. How these people can get through and obtain visas to come to the United States on two occasions, despite the fact that these individuals appear on the watchlist of people who should not be given a visa to come to the United States.

The American people, as you well know, Mr. Secretary, are outraged that individuals enter this country with the purpose of engaging in terrorist acts and inciting others to terrorist acts. I would be most grateful if you could comment on what I hope will be a serious Inspector General investigation, and your personal attention

to this matter.

Secretary Christopher. Well, Mr. Lantos, we clearly will look into that further. I have inquired about that subject because it troubled me, too, and was told that the entry was based upon a mistake which included the Department. That is not a satisfactory answer. We need to find out the basis for the mistake and whether there is any culpability.

Our screening procedures are clearly not adequate. We are really still dealing with almost ancient tools, rather than taking full advantage of the modern technology that would help us in this

screening.

You come back to budgetary matters, there again. If our consulates around the world had access to the most modern technology, we could do a better job. But we need to look into that, and I assure you, we will.

Mr. LANTOS. Again, I want to commend you for a job very well

done, Mr. Secretary.

Secretary Christopher. Thank you, Mr. Lantos.

Mr. BERMAN. Next, the gentleman from Illinois, Mr. Manzullo.

Mr. MANZULLO. Thank you, Mr. Chairman. Thank you, Mr. Secretary, for coming here this morning.

Secretary CHRISTOPHER. Good morning.

Mr. MANZULLO. I have a question I would like to ask you based upon an article that appeared in this morning's New York Times that states that "the Executive Director of the United Nations fund for population activities has received assurances from senior State Department officials that the administration intends to ask Congress for between \$20 and \$40 million for population control."

In light of the Kemp-Kasten Amendment which prohibits funds for any support or organization that "supports or participates in management of a program of coercive abortion or involuntary sterilization," and in light of your written statement that says, on page seven, "by actively encouraging responsible population programs, we can assist four countries in achieving sustainable growth," does this mean, Mr. Secretary, that the Clinton administration is now going to fund, and thus condone indirectly, the coercive abortion policies of China?

Secretary Christopher. Let me answer that in this way, Mr. Manzullo. As you know, President Clinton, shortly after he was inaugurated, indicated that the United States would be changing its policy with respect to what is known as the Mexico City Declaration. That is, that the United States would seek to use its funds for assisting international organizations involved in family plan-

ning, but only within the context of the Kemp-Kasten bill.

To the extent that that bill provides restrictions, of course the

administration will obey the law and follow those restrictions.

Now, there are unquestionably both factual and legal questions about whether any particular organization falls within the reach of the Kemp-Kasten Law, which, as I understand it, focuses on either payments for abortion or involuntary sterilization or coerced abortions. And as I say, I know that the President's intention is to try to assist family planning organizations on an international scale, to the extent that he is authorized to do so within the context of existing law. But clearly, we are going to obey existing law, and there will have to be a determination as to whether or not any given organization comes within the ambit of restrictions under Kemp-Kasten or any other existing law.

Obviously, the President's desire is to assist family planning on an international scale where it is feasible, but only within the context of the present statutes as they would be properly interpreted,

both as a factual and legal matter.

Mr. MANZULLO. Then there would probably be, I presume, a segregation of funds, such as the funds that all go to China. Would

that be your understanding?

Secretary Christopher. I am not able to get into specific treatment of that. I say it would involve a determination as to whether or not that organization that we might be considering aiding, whether it was within the sweep of Kemp-Kasten or was properly outside the sweep of Kemp-Kasten. And I am sure that it is our intention to obey those laws fully.

Mr. MANZULLO. I have an unrelated question, Mr. Secretary, involving the possible move of the radio transmitter from Israel to

Kuwait. Could you comment on that?

Secretary CHRISTOPHER. That basically was a move made in order to provide for greater efficiency in the development of the particular radio, as well as to meet environmental concerns. That issue was under discussion when I was in Israel recently. I think the Israelis understand the reason that the move is going to be made, and recognize that the circumstances, the reasons for making the move had basic validity.

As I recall the situation, Mr. Manzullo—and I perhaps will have

to correct myself-but I think the primary considerations were

budgetary and environmental.

Mr. MANZULLO. Thank you, Mr. Secretary.

Secretary CHRISTOPHER. Thank you.

Mr. BERMAN. I thank the gentleman, and I recognize the gentleman from New Jersey, Mr. Menendez.

Mr. MENENDEZ. Thank you, Mr. Chairman. Secretary Christopher. Good morning.

Mr. MENENDEZ I want to welcome the Secretary and also com-

mend him on his performance to date.

Mr. Secretary, this weekend you have opportunities to reach several of your laudable goals, as stated in today's written statement. I want to call attention to two of them.

On page seven you talk about the consolidation of democracy and thriving civil societies in Russia and the other states of the former Soviet Bloc is more than a helping hand. It is a vital investment

in America's security and prosperity," which I agree with.

And on page three, you say, "At a time when the American public has signalled its willingness to sacrifice for the greater good of this country and its future, we must ensure that our foreign policy investments pay dividends in peace, growth, and the advancement

of our democratic ideals."

And in pursuit of those goals, I would commend to your attention, and hopefully your endorsement this weekend, as I did with the President when the Congressional Hispanic Caucus met with him, on the issue of a matter 90 miles from our shores, of Cuba. When I had an opportunity to speak to the President, I pointed out to him, and he adopted my concern about, the potential of a nuclear power plant being built in Cuba, one which is subject of a September, 1992 report to Congress about the nuclear energy community's concern about deficiencies of this plant.

And I would like to point out to you my concern that the Yeltsin government, already deep in debt and asking U.S. financial assistance, in an article in The Washington Times this past December supposedly decided to extend to Cuba supplier credits so that it can

complete this project.

It would seem to me that we do not need another Chernobyl 90 miles from the United States neither for the people of Cuba nor for

the people of the United States.

The GAO report says that summer winds could carry radioactive pollutants over all of Florida, parts of the Gulf states and travel as far as Texas in 4 days.

So as we try to promote democracy and the goals which I endorse, Mr. Secretary, for Russia, I hope that we raise our concerns as well. I hope we will raise this issue. It is a vital issue not only

to the United States and to the people of Cuba but to the Carib-

bean, as well as to the nuclear community.

And, secondly, staying with Cuba but looking maybe for your answer on a broader range, do we have an operational plan for Cuba in what some of us perceive to be very possibly, with a high degree of probability, a change in the Cuban Government within the lifetime of this administration, because that goes to whether we look at a State Department and its funding that is proactive versus reactive and I would like to hear your answers on those two questions.

Secretary CHRISTOPHER. Mr. Menendez, on the first matter, I appreciate your having brought me more detail on that subject than I knew about before and it will enable me to follow through on it

better.

I had heard of the possible establishment of a nuclear plant on Cuba and it worried me and I am very interested in the specificity that you have given to it. I would be very concerned about the nature of the reactor, whether it is a Chernobyl type reactor, but I am also concerned about the broader points you make as to whether or not the Russians are justified in spending their dollars for that purpose and then coming to us for assistance on other projects. So that matter will be raised.

On the second matter that you referred to, there is always some risk in talking about contingency plans because mentioning them sometimes sends a broader signal, as you mentioned. But let me assure you that that possibility has not escaped our attention or my attention. It is something that any wise bureaucracy would be

foolish if they had not given some thought to it in advance.

Mr. MENENDEZ. Thank you, Mr. Secretary. I will get you a letter that I confirmed the President received in a conversation, it has a lot of facts on this issue, a two-page letter. It synthesizes the issue of the nuclear reactor which is of great concern to you.

Secretary Christopher. I would appreciate that very much.

Mr. MENENDEZ. And, lastly, on page 12 of your statement, you said something which I found very heartening, "And we must work unceasingly to ensure that the face that the department shows to the world is an American face in all of our diversity. In short, we

must remake State in America's image."

And I had the opportunity through the chairman to present a series of statistics as it relates to Hispanics within the State Department. I would commend to your attention as you remake the face that despite Hispanics representing 9 percent of the U.S. population and growing, only 4.2 percent of the entire Foreign Service according to your own EEO figures in fact exist within the State Department, only one Hispanic Ambassador, Ambassador Archos, who serves in Honduras, a total of 10 Hispanic men and not a single Hispanic woman, Mr. Secretary.

I understand this is not the State Department that Warren Christopher led along the way but I take your comment to heart

and I hope that you will take those statistics to heart as well.

Thank you, Mr. Chairman.

Secretary Christopher. Thank you. I appreciate all the encouragement you can give me on that subject. It is very important to me that we improve our record and it is not an adequate record at

the present time, especially in the higher ranges of the State Department. Time will help solve some of that but it is my intention to send a very strong signal that we need to have a greater diversity, especially in the higher ranks of the Foreign Service.

Mr. BERMAN. We have completed a round of all Members of the subcommittee who are here. The chairman will now recognize two Members of the full committee who are not Members of the subcommittee—first the gentleman from Indiana, Mr. McCloskey.

Mr. McCloskey. Thank you very much. Good morning, Mr. Sec-

retary, Mr. Chairman.

Not my main reason for showing but given the concerns expressed by Mr. Menendez as to minorities and Hispanics in the State Department, Mr. Secretary, since he has brought that up, I might say I also chair the Civil Service Subcommittee and about 2 weeks ago Pat Schroeder and I, wrote a positive letter asking for a meeting, if you will, an internal briefing as to that very question.

My letter just passed along the idea that on a recent Far Eastern trip to Japan, Hong Kong, Korea and one other country and about three embassies and one major consulate we saw scores of competent high ranking State Department staffers there. Mr. Sec-

retary.

There were several minorities, I would say four to six or more black and Hispanic which I think is of some significance. But in the four stops, there was only—as far as the people that showed—one woman in a significant professional position and I know you would share that concern and I think you may hear it more expressed so

I would just pass that along, backing up Mr. Menendez.

You probably know that one of my major and driving concerns for more than a few months right now is the entire situation in Yugoslavia, more specifically Bosnia, the present and the future there. We all know the slaughter goes on and I think as Mr. Lantos rightly said this administration inherited a dismally failed policy in which active action should have been taken, particularly by Europe and to a lesser degree but to a significant degree by us.

That was not done, Mr. Secretary. I for one think there has been a moderately improved policy. We are greater involved and I have a feeling that the State Department, National Security Council, Mr. Clinton's people really care and have a handle on this but

quite frankly progress is incremental or minimal at best.

I just want to highlight three areas, get three or four questions

on the record and if you could try to reply today.

Previously to the Congress in response to a question as to whether or not genocide has taken place in Bosnia, the reply from State that acts tantamount to genocide have taken place. I think that is not a clear answer to a very important and policy driving question.

Would you order a clear, explicit determination, yes or no, if the

outrageous Serb systematic barbarism amounts to genocide?

That is one question. Also, as to today's headlines and the ongoing carnage, what is the sense that we have at least of a deadline for Bosnian Serb compliance on Vance-Owen?

General Powell was quoted as saying that he was more interested in bombing if the Bosnian Serbs did not come on. He did not confirm that in public session with me the other day but he did not

deny it, saying all options are being considered. As you know, that report was in Newsweek.

You have told me yourself, sir, previously that no U.S. military commitment would be made or could be made barring agreement

by all parties.

I would note that as to the Bush and Clinton administrations, statements in a related area, Kosovo, we have committed to military action there in the sense of a systematic Serb move. The same problems remain, particularly as to U.N. forces on the ground, so how can we in essence be passive militarily in Bosnia but stand up so strong as to a potential Kosovo situation?

And also a related area, we all know the Macedonian tragedy and powder keg goes on. President Gligerov has wanted to meet with you to express his concerns. We could have a four to six na-

tion powder keg.

So those are my three or four basic areas of concern in the Yugo

area, if you will, sir.

Secretary Christopher. Thank you, Mr. McCloskey.

First, if I can just—with respect to women in the State Department and the Foreign Service, I think that there is a need for greater emphasis there. I have tried to send that signal at the State Department and I think the President has by his political appointments or his appointments at the noncareer level. Two of the five under secretaries are women and I think of the Presidential appointments that have been made at the State Department, seven are women which is a very strong representation of women and each one of them is a very strong choice, in my judgment, made by the President.

With respect to the definition of the circumstances in Bosnia, we certainly will reply to that. That is a legal question that you have posed. I have said several times that the conduct there is an atrocity, the killing, the raping, the ethnic cleansing is definitely an atrocious set of acts. Whether it meets the technical legal definition of genocide, it is a matter we will look into and get back to you.<sup>1</sup>

Now, more broadly, Mr. McCloskey, let me say that we are proceeding down the lines of the statement that I made on the 10th of February and I think we are making some progress although, as you point out, it is incremental and it really is no satisfactory answer to what is going on within Bosnia itself. But we have made progress on the diplomatic front, as I promised we would try to do.

Two of the three countries have now signed all portions of Vance-Owen, only the Bosnian Serbs are remaining. We have certainly made progress on the humanitarian front. We dropped over a mil-

lion meals into Bosnia, particularly eastern Bosnia.

We have begun to make some progress on the sanctions front and I am very pleased to tell you that yesterday, and I am sure you saw this in the paper this morning, the United Nations has finally moved to enforce the no-fly zone. That is something we have been working on ever since the 10th of February.

Mr. McCloskey. Sir, is there any sense of a deadline if the Bosnian Serbs do not sign and the carnage goes on? In essence, it is in their interests not to sign and, as you notice the reports from

<sup>&</sup>lt;sup>1</sup>See appendix.

Strevenika throughout eastern Bosnia and elsewhere, they are going to have everything they want and a decimated Muslim population.

What is our sense of a deadline on this?

Secretary CHRISTOPHER. I think the deadline really needs to be made by the parties themselves.

Mr. McCloskey. But that is giving the Bosnian Serbs all the le-

verage.

Secretary Christopher. No, I think that the decision is no doubt in the hands of the other two parties. President Isbekovich has said that he would feel that if they had not done something—I believe he said within 15 days yesterday that he would feel that he no longer wanted to continue his commitment to Vance-Owen.

Mr. McCloskey. So then could we allow the lifting of the arms

embargo then?

Secretary Christopher. We have said, and I say here today, that if the Bosnian Serbs have not soon negotiated and agreed with the plan that the United States would consult with it allies with respect to lifting the arms embargo.

Mr. McCloskey. Very good. I appreciate that.

Secretary CHRISTOPHER. I would also like to say to you that the United States will be participating in the enforcement of the no-fly zone through NATO so our military will be engaged as part of the NATO endeavor to ensure that there are no flights in violation of the U.N. resolutions.

Mr. McCloskey. And on Macedonia, sir.

Mr. BERMAN. That was part of your preexisting question. Mr. McCloskey. Yes, it was part of the preexisting question.

Secretary Christopher. With respect to both Kosovo and Macedonia, the United States has indicated that they think that crossing the line into either of those countries would be something that would be regarded very seriously by the United States. The Bush administration took that position with respect to Kosovo and you ask how that differs from Bosnia.

Well, frankly, we come into office and find a situation in Bosnia that has already deteriorated to a point where the solution is almost beyond the grasp of any human instrument. With respect to both Kosovo and Macedonia, we do have a situation where the invasion has not yet taken place so that it is a greater opportunity

for preventive action.

With respect to Macedonia, we have been doing everything we could to try to encourage the parties most closely involved, that is, Macedonia and Greece, to reach a conclusion that would permit Macedonia's entry into the U.N. They are very, very close to agreement on that. I think they are down to some very, very fine points and we will continue to work on that.

We have to avoid precipitous action that is very costly to one ally while perhaps helping another country and we have been following

a careful course there that I think is going to pay off.

Mr. McCloskey. As I have already asked, Mr. Chairman, would you be open to meeting with President Gligerov, Mr. Secretary?

Mr. BERMAN. Mr. McCloskey, it has been twice the time. We will come back to you.

Secretary Christopher. He would always be welcome.

Mr. BERMAN. Mr. Royce.

Mr. ROYCE. Thank you, Mr. Chairman, and thank you, Mr. Secretary.

Again, I would like to just discuss the situation in the former

Yugoslavia and in particular the ethnic cleansing process.

No matter how we define it, it is legitimately, I think, compared to what the Nazis did in the 1930's and in the 1940's and to that end I think we are very encouraged by your statements about the United States being prepared to discuss with our allies lifting the

arms embargo on the Bosnians.

My question would be whether we could make it part, an explicit part, of U.S. policy that should the Serbians refuse to sign this peace agreement, should they continue their war on the Bosnian people in the communities in Bosnia on the Muslim population in particular, could it be explicit U.S. policy that we would unilaterally lift that arms embargo so that they might be able to get the antitank guns and the other weapons to defend themselves and we do that unilaterally as a signal to our European allies and to the United Nations that the United States is going to take a firm stand here and we are not going sit aside as the West did when Franco in Spain in the 1930's started his process and many people say now, well, the fact that the West sat on the sidelines when Franco did what he did, that is what encouraged downstream Mussolini and Hitler and so forth.

Could we as the United States take that policy?

Secretary Christopher. I cannot and do not intend to go today beyond my statement to you and that is if the Serbs do not soon agree, that is, the Bosnian Serbs, we will begin consulting with our allies. Indeed, we have already commenced those consultations to

determine whether or not the arms embargo can be lifted.

To take the next step that you suggest, I understand the question but it involves a number of considerations. The first question is the effect on humanitarian relief if we were to take that step. We would have to contemplate the effect on the Bosnians, whether more lives would be saved or lost if the humanitarian endeavors now undertaken primarily by the French, the English and the Spaniards were to be ended because of our action.

We also have to take into account the effect of disobeying a clear United Nations resolution. The overall consequences of that for the

United States would have to be taken into account.

So the most I intend to say today is that if the Bosnian Serbs do not soon agree, we will be consulting and indeed urging our allies to consider lifting the arms embargo so as to level the playing field, as is said in colloquial terms.

Mr. ROYCE. Thank you, Mr. Secretary.

Mr. BERMAN. Mr. Secretary, I will recognize myself again.

On the last point, the depressing aspect of all of this is the recognition that good faith and sincere efforts to deal with this diplomatically over the last year in some ways have served the Serb goals of acquisition, ethnic cleansing, a continuation of the carnage. We are even at the very unfortunate point now where acceptance of the Vance-Owen plan gives to the Serbs some of the territorial advantages that they have chosen to seek through military means.

It is depressing, and I take heart in the outlines of the strategy that you have announced because I agree with both Mr. Royce and Mr. McCloskey about the frustration and the questions of what we are doing as we watch all this happen.

I also might say in terms of Russia and the summit and the republics of the former Soviet Union, I do not think there is a more important issue, domestic or foreign, because of the interrelation-

ship between the two.

Regarding the hyperinflation that you spoke about, the IMF has been criticized for simply providing support as opposed to creating a sort of a simultaneous conditionality that provides the relief with the requirement that they at the same time do certain things to get hold of their central bank and make other changes in their monetary policy.

But I believe that if you folks are willing to, and you certainly sound like you are based on what you have done so far, to come out and lead the way, Congress and the American people will be made to understand just how critical this issue is for them, not out of some fuzzy humanitarian concern but out of very direct, personal

security and economic kinds of interests.

I want to go back to the flexibility issue because I do intend to expend some political capital to try and persuade the subcommittee, the full committee and hopefully the Congress to give you the tools to create a department that can function on less money, more efficiently, more effectively, and more in the service of our foreign

The question of consulate closings has come up on several occasions. This has caused concern. The key way for making that work is consultation. Your Under Secretary for Management and the people who work with him have been just tremendous in terms of talking with us about these issues. I understand you are apparently contemplating the merger of the Bureau of Refugee Programs into and consolidating population policy there.

That bureau has been one of the most effective bureaus I have seen in the State Department. They have done tremendous work in dealing with the funds that have been given for our different ref-

ugee programs and overseas assistance programs.

The last thing I want to do is talk about management flexibility and then say do not do something. I am not going to say that. But I hope that the goals and the purposes of the refugee program do

not get subordinated in that kind of a merger.

Which leads into the next question dealing with the whole issue of ACDA. First of all, have you made a decision on the question of the Arms Control and Disarmament Agency? There is a great level of expertise in that agency. Although there are some views that it should be moved into the State Department, but there are also

some very good arguments against such a move.

In reality, it is very critical to have an agency whose primary mission is arms control and proliferation to have direct access to the President. We could go through the past 5 or 6 years and point out time and time again where the only view presented to the National Security Council, which weighed in on the arms control and nonproliferation issues, came from ACDA not from State or from anywhere else. It also gets back to an earlier point.

Export promotion I think is very critical. An export promotion policy which subordinates proliferation issues which essentially creates a notion of no matter what is it, what the technology is, and what the national security or proliferation implications are, we should do it if it helps an American company. I think this poses a problem.

And so I would be interested in your response and your notion of the Arms Control and Disarmament Agency. What is the current status of this? It is a little different from the question of folding

in bureaus and merging within your own department.

Secretary Christopher. Mr. Chairman, no decision has been made on that subject. We are continuing to very actively study it and hope to make a recommendation to the President in the near future

As you suggest, there are some very important considerations to balance. ACDA has always played a very important role in this government in pushing forward on arms control. Some would say that that role is perhaps less important now than it was in the days of the super power rivalry but nonetheless it is still important.

A subquestion there is whether that point of view is more or less effectively presented by an independent group or within the struc-

ture of the State Department.

You also have very important cost saving issues. When you have a separate organization like ACDA you tend to replicate simple functions like travel arrangements or other things that might well be centralized.

Now in a perfect world, even separate organizations can have common functions like common travel making facilities but there are major cost issues there. We are going to be considering that

very intensively.

More broadly on arms control and disarmament and nonproliferation, that will have a higher profile, a more important role in the State Department because it is a new issue for this period. I think nonproliferation has got to be one of the handful of issues

that deserves the highest priority.

As we get beyond super power rivalry, as we hopefully can achieve ratification of START II worldwide and START I in the former Soviet Union, I think proliferation takes on a more and more important role and it is a more important issue and we have heightened the visibility of it in the department, we have drawn together under the Under Secretary for Security Affairs the non-proliferation issues.

I am sorry not to have a decision for you, not to have a fully reasoned matter. What I want to conclude with, Mr. Chairman, on this point is that you can be sure there will be full consultation and real consultation with you when we get ready to make a recommenda-

tion.

Mr. BERMAN. Thank you Mr. Secretary. I recognize the gentlelady from Maine for 5 minutes.

Ms. SNOWE. Thank you.

Mr. Secretary, I know you have to leave. I just have a couple of questions, one is regarding the United Nations.

You are probably familiar with the report that was issued by the former Under Secretary General of the Department of Administration and Management, Dick Thornberg, concerning the problems that continue to exist at the U.N. with respect to waste, inefficiencies, fraud and abuse. It is particularly troublesome since we have tried for the last few years to address that problem, which is the whole reason we have arrearages at the U.N., where we have withheld our assessments in hopes to bring about some budgetary reforms. We have been somewhat successful but given this report that he has issued, it is particularly disappointing as well as disturbing.

Do you support his proposal for creating an Inspector General at

the United Nations?

Secretary Christopher. Yes, I do. I also want to indicate that I think the appointment of Ambassador Melissa Wells as his successor in the role of Under Secretary of the U.N. for Administration is a very positive sign. Not to compare the two of them at all, but I would say that she is a very effective administrator who is a nononsense person and I think she will be very effective in that role.

So, yes, I do support an Inspector General and I will give all the support I can to Ambassador Wells in trying to push for reforms. I talked to Secretary General Bhoutros-Ghali on that subject when I was in New York and he indicates a determination to proceed on that front. There is a lot of built-in inefficiency at the U.N. and I think that the willingness of the major countries to continue to support the U.N. are going to be closely related to reform on the administrative side.

Ms. SNOWE. Do you think that the Secretary General was respon-

sive to that particular idea?

I guess what I am concerned about is if there continues to be resistance to overhauling the management and the administration of the United Nations, given the fact that, as you know, we contribute at least a quarter of the budget at the United Nations and so much of it seems to be removed from the budgetary process, do you think that this is something that can be done?

Especially in light of the fact that you mention in your testimony that you will be seeking advance appropriations for our arrearages.

Secretary Christopher. I think the Secretary General is committed to reorganization. As soon as he came into office a year or so ago he began that process. There is an awful lot of entrenched bureaucracy there. There is a great deal of pressure from member nations that is not conducive to reform. But I think his statements to that and his appointment of Ambassador Wells I found to be favorable sign.

Ms. SNOWE. Also, for the first time in the Defense Department budget there will be a line item for peacekeeping operations for

maintaining our troops in Somalia.

Now, will this be in addition to the assessment that we provide

for peacekeeping operations?

Secretary Christopher. Yes. And I think it is a very desirable step to have some of those funds come from the Defense Department budget because there can be no doubt that some of the defense savings are the result of peacekeeping operations that have been successful. We will save a lot of defense dollars to the extent

that the peacekeeping operations are successful. So I think it is

well justified.

Ms. SNOWE. Finally, in the last authorization process I had offered an amendment to require the State Department to work in conjunction with other agencies in sharing the costs of our overseas posts. We have about a third of the personnel in the overseas posts and yet the State Department assumes about half of the administrative costs and yet we have not been able to achieve progress on this issue. I know the State Department has tried to solicit cooperation in this regard from the other agencies, but they have been largely unwilling to cooperate on this matter.

What can we do to reinforce this issue and in trying to get the

other agencies to share in the cost in our overseas posts?

Secretary CHRISTOPHER. Well, that is a sore point with me and I am glad you raised it. I am going to be meeting this afternoon with another agency here to be nameless complaining about their failure to pick up what I think to be their share of the costs.

What I could suggest you might do is if you have some of them

sitting here in this chair, help me.

Ms. SNOWE. We will do everything we can. Thank you, sir.

Secretary CHRISTOPHER. Thank you very much.

Mr. BERMAN. Mr. Secretary, we promised you a 12 o'clock departure. It is 3 minutes after 12. That is pretty good for government work.

When you talk about management in the U.N., I think an instructive look might be made at the forms that UNESCO has taken in part because we withdrew. They, I think, may lead the band in terms of efficiencies in the U.N.

Notwithstanding the fact that we could keep you here for another 4 hours with questions, we do appreciate your coming and sharing

your thoughts with us.

Secretary CHRISTOPHER. Thank you, Mr. Chairman. I regard 5

after 12 as being substantial compliance.

[Whereupon, at 12:05 p.m., the subcommittee was adjourned.]

# APPENDIX

# PREPARED STATEMENT OF THE HONORABLE WARREN CHRISTOPHER, SECRETARY OF STATE

Mr. Chairman:

I appreciate this first official opportunity to appear before you and this Subcommittee. I have been able to spend time with many of you in informal sessions already and I look forward to forging what I hope will be a productive partnership with you.

Your support will be especially important as we seek the resources and management flexibility which we will so surely need to meet the challenges of a new world. Together, we face the task of crafting a foreign policy for an era so new that it has yet to find a name for itself — an era of unprecedented change, hope, and opportunity. The Clinton Administration approaches this challenge with the conviction that strong public support for foreign policy is essential to American effectiveness abroad.

#### TAKING FOREIGN POLICY TO THE PEOPLE

The Clinton Administration plans to make taking foreign policy "on the road" to the American people a priority. The members of this Committee are of course deeply experienced in that regard. We seek to engage the American public in what we hope will be a continuing dialogue about the new world we live

in and our country's proper role in it.

Today, I will try to give you a sense of how the Clinton Administration plans to advance the economic, security and political interests of the citizens of the United States in this new, post-Cold War world. Then, I would want to discuss our budget requests and management strategy in support of those fundamental objectives.

#### THE THREE PILLARS OF OUR FOREIGN POLICY

Mr. Chairman, the Clinton Administration's approach to diplomacy is based on the premise that domestic issues and foreign issues are inseparable. We understand that American public support for our effectiveness and leadership abroad will be undermined unless we come to grips with the serious domestic threats to America's well-being, such as poverty, crime, decay, unemployment.

We recognize that our foreign policy institutions and our foreign affairs budget must be considered anew in light of the vast changes in our world. The State Department as we know it, as well as AID, USIA, and ACDA, are all creatures of the Cold War period that is, thankfully, over. But both bureaucracies and budgets tend to be resistant to change.

Bureaucracies and budgets do not fund themselves, and the
American taxpayers demand value for their dollars. The days
when the global struggle against Communism could justify almost

funding any program are long past. At a time when the American public has signalled its willingness to sacrifice for the greater good of this country and its future, we must ensure—that our foreign policy investments pay dividends in peace, growth, and the advancement of our democratic ideals.

As I mentioned to the full Committee in January when we met together informally, President Clinton has identified three pillars upon which today's diplomacy must rest:

First, elevating national and global economic growth as a primary foreign policy goal.

<u>Second</u>, updating our forces and security arrangements to meet new threats.

And <u>third</u>, organizing our foreign policy to help promote democracy, human rights and free markets abroad.

I would like to devote just a few words to each of the pillars.

First, renewing the American and global economies. To be strong abroad, we must be strong at home. Domestic economic renewal drives President Clinton's economic program. The single most important contribution America can make to the world's well-being is restoring the American dream to the American people. Nothing is more important than Congress' expeditious passage of the President's economic program. Our

restored strength at home will augment our diplomatic strength abroad. In turn, effective diplomacy can help prevent regional wars and international crises that could consume scarce \_\_ resources. A revitalized U.S. economy will be equally critical to our ability to pursue new initiatives overseas that yield economic and environmental benefits for the American people.

We must use <u>all</u> the tools at our disposal to generate growth here at home and bring down barriers to our goods and services world-wide. The Department of State will be an ally and advocate for American business abroad and we will actively premote in ernational economic cooperation which can benefit the U.S. economy. Macroeconomic coordination among the industrial democracies, the negotiation of a new GATT accord, the quick and successful completion of the North American Free Trade Agreement with parallel agreements to protect workers and the environment, and vigorous export promotion -- all create a win/win situation for American growth and global growth.

Second, our security structures must be updated to meet the post-Cold War challenges. The Communist threat has lifted.

But in its place, new dangers have arisen — instabilities spawned by Communism's legacy of economic and political bankruptcy, ethnic antagonisms, arms proliferation, environmental degradation, and rapid population growth. The world continues to be a dangerous place and we recognize the need for effective military power and strong security relationships capable of dealing with the new perils.

We place great emphasis on preventive diplomacy —
bilateral and multilateral. As the tragedies in Somalia and
the former Yugoslavia teach us, we must promote early and —
effective problem—solving and new peacekeeping efforts at the
UN and elsewhere. We must be prepared to contribute to the
world community's ability to respond effectively to conflicts
that violate international human rights standards and menace
international peace. And, as the tension on the Korean
peninsula dramatically illustrates, strengthened
non—proliferation regimes are also essential. In particular,
we will be working with the new states of the former Soviet
Union to control and account for nuclear material. We must
help them and other states establish effective support and
control systems for weapons of mass destruction and their
delivery systems.

Third, we will promote the spread of stable democracies and free markets around the world. No goal could be truer to the fundamental values we cherish as Americans. And nothing could be more pragmatic. The promotion of political and economic freedom is a strategic element of America's national security policy, not merely a tactic. Democracies are more likely to protect human rights, including those of minorities; they're more likely to be reliable partners in trade, arms accords, and environmental protection. And they are more likely to join with us in common efforts to counter aggression, inhumanity and the designs of the dangerously irresponsible.

Respect for the dignity of the human being is no less vital to international stability and security than respect for the integrity of borders. Indeed, the protection and promotion of human rights and fundamental freedoms is the first responsibility of democratic government, the mainspring of economic dynamism, and an essential safeguard against the abuse of power, whether domestic or international.

At a time when we are "putting people first" to restore the American dream at home, we will work no less energetically to advance the cause of human freedom worldwide. Unprecedented strides can be made for human rights in this new post-Cold War period and here American leadership remains indispensable. Under the Clinton Administration, human rights considerations will be fully integrated into our foreign policy decisions. We seek to engage in a comprehensive human rights dialogue with foreign governments. We will actively encourage trends toward open, informed, tolerant, law-based, civil societies around the globe, and we will target our foreign assistance accordingly. We also intend to be at the forefront of multilateral efforts to uphold and advance international human rights standards via the United Nations, regional organizations, and through concerned coalitions of likeminded nations.

Nowhere is the fate of human rights, democracy and free enterprise more important to us and the world than in Russia.

Should a democratic government and free enterprise prevail,

America will gain not only partners in peace but a vast growing market for American goods and services. If, on the other hand,

Russia descends into anarchy or lurches back to despotism,

Americans would pay the price in a revived nuclear threat,

higher defense budgets, lost markets, and spreading

instability. Assisting in the consolidation of democracy and
thriving civil societies in Russia and the other states of the
former Soviet Bloc is more than a helping hand; it's a vital
investment in American security and prosperity.

At his summit meeting with President Yeltsin this weekend in Vancouver, President Clinton will spell out the concrete bilateral and multilateral steps we plan to take to support Russian reform. Together with the great industrial democracies of the G-7, we are looking for ways to help Russia overcome the paralysis that retards reform and avoid a social explosion until democracy and reform are firmly established.

Beyond the former Soviet Union, this Administration will pursue a global agenda that invests in people and their well-being. We intend fully to integrate our concerns about rapid population growth and environmental protection into our foreign policy efforts worldwide. By actively encouraging responsible population programs, we can assist poor countries in achieving sustainable growth. And, by investing in counterterrorism and counternarcotics efforts, we can help make America and the world safer for everyone.

#### THE STATE DEPARTMENT'S BUDGET

Although the President's Budget will not be formally released until next week, I wish to underline that the overall 150 account will reflect these three pillars of President Clinton's foreign policy.

In regard to the State Department's FY 1994 budget request, I'd like to make a few general points:

One. This is a transitional budget. It reflects the fact that changes in some of the details are certainly possible, indeed, likely. We intend to work very closely and cooperatively with you during your deliberations on our requests.

Two. Our budget request fully supports the President's economic and deficit reduction programs by cutting back on employment levels and administrative costs.

Three. In operational terms, this is a straight line budget. We are asking every component of our operations to get by in FY 1994 without even the level of nominal increases required to keep up with inflation. The sole exception is multilateral affairs. Our requests for annual assessments for the TN and other international organizations have been adjusted for inflation. We have made this exception because the President and I have concluded that millions spent now on

multilateral preventive diplomacy, emergency refugee support, and peacekeeping may save hundreds of millions of dollars in defense and international relief later. The opportunities for effective multilateral engagement have never been more promising. We must seize them.

The President is also requesting FY 1993 supplemental funding for growing peacekeeping activities which have already exceeded significantly the amounts Congress authorized and appropriated last year. We ask your help in meeting this important need to fund new and expanded UN operations in Somalia, the former Yugoslavia, and Angola.

As part and parcel of our efforts to strengthen international capabilities for preventive diplomacy, and in order to ensure a rapid response to unfolding crises, we are requesting multi-year peacekeeping contingency funds which would help meet unplanned costs for both assessed and voluntary activities.

At a time when we are calling upon the United Nations to do more, we cannot support it less. We are seeking authorization for advance appropriation of arrears to international organizations in FY 1995. Completing our repayment plan will encourage other nations to pay their fair share. It will provide the UN with the financial stability it needs to better meet its growing responsibilities. And it will buttress our efforts to persuade the UN to implement needed reforms.

We are also seeking additional funding to make sure we can play a leadership role at the upcoming UN sponsored conference on population which will take place in Cairo in 1994. This important conference will underscore our conviction that sound population policies are the key to sustainable development. In turn, sound development practices can open up new possibilities for U.S. business.

# OUR MANAGEMENT STRATEGY AND INSTITUTIONAL REFORM

I would also like to outline briefly our management strategy. The American public deserves to know how we plan to manage the funds which we ask you to authorize:

First, in the draft 1994/95 Foreign Relations Authorization bill which we plan to submit in the near future, we will seek management flexibility so that we can respond to the rapidly changing international conditions described earlier;

Second, we will look for ways to save money and make needed long-term investments; and

Third, as you know, we are moving to revamp our organizational structure away from Cold-War rigidities towards team-based concepts which will allow a better use of our greatest asset -- our personnel.

critical to fulfilling our pledge to use tax-dollars wisely in our commitment to implement broad-based reform of the State

Department's organization and operations. I set forth our reorganization proposal last month. Under the plan, portfolios will be shifted and senior positions created to mirror post-Cold war missions. At the same time, policy-making at State will be streamlined by eliminating needless bureaucratic layering and consolidating duplicative functions. Where possible, we intend to force decision-making down.

We don't seek these changes merely for change's sake. Nor do they impugn the fine work performed by State's employees, both Foreign and Civil Service. Far from it: I see these reforms, fundamentally, as a vote of confidence in the professionalism of our staff. I am convinced that by more effectively engaging the enthusiasm and initiative of our employees at all levels we can better serve them and our foreign policy. Our overall objective is quicker, more open, more cost-effective policy-making and performance by the Department.

I see State Department reform as an ongoing process and
I've asked Deputy Secretary Wharton -- a man of great ability
and broad experience -- to direct our long term efforts to
create a State Department for the twenty-first century. Beyond
shepherding the implementation of our current reorganization
plan, I've charged Dr. Wharton with overseeing -- and improving
-- the way we in the Executive Branch manage our international
atfairs resources.

I've especially asked our full management team to focus their efforts on modernizing the Department of State. We must assure clearer financial accountability for our operations. We must invest in better training for our personnel, both Foreign and Civil Service. And we must work unceasingly to ensure that the face the Department shows to the world is an American face in all our diversity. In short, we must remake State in America's image.

We also need to refocus our foreign assistance priorities and programs. I have therefore asked neouty Secretary Wharton to examine the role of AID in the post-Cold War era and report his recommendations to me by the end of April. I'm sure you will appreciate the importance the President and I attach to this effort by the fact that we have asked Brian Atwood to take on the leadership of AID. In the interim, he will also be working with you on critical management issues.

I know that our reform agenda — for both State and AID — is an ambitious one. I have instituted some reforms at State by directive. Others will require Congressional action through reprogramming or legislation. I am very appreciative, Mr. Chairman, of your support in this effort, and I assure the subcommittee of my closest cooperation as we move forward with restructuring our foreign policy institutions. We will be seeking your advice, as well, on ways to increase our flexibility in reorienting our budgets and reforming our institutions — a flexibility we will need if we are to make innovation the rule and not the exception in managing our

#### CONCLUSION

At the beginning of my remarks I said that we are entering an era so new that it had not yet acquired a name -- an era of risk and opportunity, an era, above all, of challenge. Our situation is in many ways similar to that faced by our nation in the aftermath of World War II. Then, as now, we faced a world utterly changed. Then, as now, we were confronted with the task of redefining our nation's place in it. And then, as now, we were called upon to restructure our institutions to reflect new realities.

With the end of the Cold War, it is time for new policies and renewed institutions that more <u>directly</u> serve the daily needs of our citizens -- needs as simple, yet profound, as a more rewarding job, a safer world, a cleaner environment, and an ennobling pride in our nation's values. I know of no better definition of American national interest -- and, Mr. Chairman, no higher goal as I work with you and all the members of the Subcommittee in the months and years ahead.

Thank you.

66-354 0 00 35

Q: Is Genocide Occuring in Bosnia?

1: Mr. McCloskey, thank you for the question, and for giving me an oportunity to say that I share your feeling that the principal fault lies with the Bosnian Serbs. And I've said that several times before. They are the most at fault of the three parties. But there is considerable fault on all three sides, and atrocities abound in this area, as we have seen in the last several days and weeks.

But I agree that the aggression coming from Serbia is the principal perpetrator of the problem in the area. With respect to genocide, the definition of genocide is a fairly technical definition. Let me get it for you here.

Under the 1948 convention, the crime of genocide is to commit--an individual, in order to commit the crime of genocide, must commit one or more specific acts with intent to destroy in whole or in part a national, ethnical, racial or religious group as such.

I would say that some of the acts that have been committed by various parties in Bosnia, principally by the Serbians, could constitute genocide under the 1948 convention if their purpose was to destroy the religious or ethnic group in whole or in part. And that seems to me to be a standard that may well have been reached in some of the aspects of Bosnia. Certainly some of the conduct there is tantamount to genocide.

### Questions Submitted by House Foreign Affairs Committee Subcommittee on International Operations April 1, 1993 on FY 94 Budget Request

- 1. As you may know, the proliferation of weapons of mass destruction has been a chief concern of mine. Stopping it requires a multifaced policy, including multilateral efforts, and sometimes, U.S. unilateral leadership. It requires work on both the supply and demand sides. On the supply side are export controls designed to increase the cost and lengthen the time necessary to acquire such weapons so that efforts may be made to address the demand side: the motivations pushing countries to get these weapons.
- ${\bf Q}$ . Where on the scale of priorities do you place non-proliferation?
- A. Non-proliferation ranks very high on my and the President's scale of priorities. Because we want to be able to focus more effectively on non-proliferation, the Department of State is bringing all offices that work on nonproliferation issues under the direction of the Under Secretary for International Security Affairs through the Assistant Secretary for Political Military Affairs.
- Q. How do you balance our obvious need to push U.S. exports abroad with the necessity to control dual-use technology? Would you err on the side of caution?
- A. In practice, this is a very difficult call to make, and we are studying ways to strike the right balance and still meet both objectives. If there is reason to believe that dual-use technology would be used in a program involving weapons of mass destruction or the missiles that carry them, we would deny the license. Our proliferation concerns are a constraint on high-technology and dual-use trade, but that is a price we are willing to pay.

- Q. How do you balance the importance of good bilateral relations with our non-proliferation objectives? How does this play out with a country such as India, for example?
- A. Good bilateral relations often complement our non-proliferation objectives. India is a good example. We are in a better position to persuade states to accept constraints on their own capabilities if we have good bilateral relations and a frank dialogue with them. Our experience has been that we are least effective in stemming proliferation in countries with which our bilateral relations are the coolest.

  Nonetheless, in cases where the requirements of bilateral

relations and nonproliferation are in competition, we may well have to give precedence to the latter, as when we imposed trade sanctions against the Indian Space Research Organization for purchasing MTCR-controlled rocket engines and production technology from Russia.

- Q. The State Department proposes eliminating the special Ambassador for Non-proliferation and consolidating all non-proliferation activities within the Bureau of Political Military Affairs. That means the highest person in the Department working full-time on non-proliferation will be a Deputy Assistant Secretary. How does that square with the high priority you place on non-proliferation?
- A. In addition to myself, the Deputy Secretary, the Under Secretary for International Security Affairs, the Assistant Secretary for Politico Military Affairs, all have a direct responsibility for the management of our non-proliferation objectives and all of them will be devoting substantial time and effort to our nonproliferation agenda. Indeed,

nonproliferation will get more attention at higher levels of the State Department -- and of the Administration -- than ever before. We have reorganized the Department to consolidate our control of proliferation issues.

- 3. For many years the U.S. was alone in licensing many dual-use nuclear items. Only recently did we finally get all 27 members of the Nuclear Suppliers Group to adopt controls similar to our own and to adopt full-scope safeguards as a condition of nuclear supply. We have had similar success in the Australia Group. Yet none of these regimes have the strength of COCOM -- where partners have, in effect, veto rights over transfers.
- Q. Do you still see a role for vigorous U.S. unilateral leadership?
- A. U.S. leadership plays an important role. We are generally more effective when we work closely with our friends and allies than when we act unilaterally, particularly with regard to multilateral regimes such as the Australia Group and the Missile Technology Control Regime.
- Q. Do you think the time has come to push for COCOM-like powers in these regimes?
- A. There is little support in the NP regimes for a COCOM-like veto right over other partners' transfers. However, we are pursuing in the AG -- and have already achieved in the NEG and MTCR -- a "no undercut" policy under which members agree not to export controlled items that have been denied by other member countries. We are also pursuing other means of strengthening the NP regimes through enhanced harmonization of licensing and enforcement policies and by encouraging others to adopt "catch-all" export control legislation or regulations similar to our Enhanced Proliferation Control Initiative (EPCI). Under EPCI an exporter is required to request a license when he knows or is informed that the export item is going to a country of project of proliferation concern.

Question Submitted by
House Foreign Affairs Subcommittee on International Operations
4/1/93

- Q. 2. The nuclear Non-Proliferation Treaty is the cornerstone of the non-proliferation regime. That treaty comes up for extension in 1995.
  - -- How is the U.S. organized to meet that objective? Who leads the U.S. efforts?
- A. The Adminstration does indeed regard the NPT as the cornerstone of the international nuclear non-proliferation regime. The U.S. has long been on record as strongly favoring an indefinite extension of the Treaty in 1995 when a Conference of Treaty parties will decide on the duration of the extension of the NPT beyond its twenty five year initial life (1970-1995).

Executive Branch agencies have been preparing for the 1995 NPT Conference for several years and preparations are well along, both within the U.S. Government and internationally. Within the U.S. Government, there is a very active interagency working group effort led by the Arms Control and Disarmament Agency, which has traditionally had the lead within the U.S. Government for matters relating to the NPT. This group which also includes representatives from State, Defense, Energy, OMB and NSC is working on the many procedural and substantive issues that will arise in 1995 and before, and developing and coordinating U.S. strategies for dealing with them. also engaged in regular consulations with a wide range of NPT parties on issues which are important to a successful outcome of the 1995 Conference, including frequent and wide-ranging consultations with the other depositary states, the United Kingdom and Russia.

An initial, successful meeting of the Preparatory Committee for the 1995 Conference took place at the U.N. in New York in May 1993. The second meeting of the NPT Preparatory Committee will take place in New York in January 1994.

Question Submitted by Congressman Berman House Foreign Affairs Subcommittee on International Operations 4/1/93

- Q. 2. The Nuclear Non-Proliferation Treaty is the cornerstone of the non-proliferation regime. That treaty comes up for extension in 1995.
  - -- Many have argued that negotiating a Comprehensive Test Ban will be vital in getting the Treaty extended. A CTB was endorsed by candidate Clinton. When can we expect such negotiations to begin?
- A. President Clinton has stated his support for negotiation of a multilateral comprehensive test ban treaty (CTBT) and for the compromise on nuclear testing contained in the Hatfield-Exon-Mitchell Amendment to the FY 1993 Energy and Water Development Appropriations Act, passed last year.

The Administration is currently conducting a comprehensive review of U.S. nuclear testing policy and options for negotiating a CTBT. We will provide the report to Congress required by the Hatfield Amendment as soon as the review is complete. Although definite plans will have to await completion of the policy review, we hope to begin consultations with key states on an approach to a CTBT soon, and believe that treaty negotiations should commence at an early date.

We believe very strongly that the indefinite extension of the NPT in 1995 is an important goal that should not be held hostage to completion of a CTBT. Questions from Secretary Christopher's Hearing before the House Foreign Affairs Committee Subcommittee on International Operations April 1, 1993

- Q. 4. For the moment, things are quiet in Iraq. Yet if Saddam Hussein were given the chance, he'd be back trying to build the bomb. That means we must be able to put in place the long-term monitoring plan adopted by the Security Council. Yet I understand that after translating about fifty of the 3,000 documents gotten out of Iraq that lay out Saddam's suppliers, we've stopped because it's too expensive to pay the translators.
  - Will we push to implement the long-term monitoring plan and make sure it's adequately funded?
  - Iran is another headache. What are we doing to constrain Iran's nuclear ambitions? Are our allies, who did so much to help Saddam Hussein, on board with our efforts?

A.

### (Document translation)

Over 100 of the documents obtained during the United Nations Special Commission on Iraq (UNSCOM) #16/IAEA #6 inspection have been translated. Work on these translations did slow due to competing demands on U.S. translators and funding shortages. We recently met with IAEA and UNSCOM officials to establish new priorities for translation of these documents. The U.S., IAEA, UNSCOM, UK, and France currently are translating 30 of the highest priority documents.

# (Long-term monitoring)

Our firm commitment to seeing Iraq comply fully with all relevant Security Council resolutions includes our determination to see it comply with the terms of resolution 715 relating to the implementation of a long-term monitoring regime

for its WMD programs. It would be pointless to struggle so long and so hard to locate and destroy Iraq's weapons of mass destruction, and then allow Iraq to go right back to building or buying them.

At present, the work of UNSCOM, the UN body charged with weapons inspections and with the task of long-term monitoring, is funded through various accounts. One such is an escrow account set up under resolution 778. Other potential sources are resolutions 706 and 712, which allow Iraq, while still under sanctions, to sell up to \$1.6 billion in oil, part of which would be allocated to fund WMD monitoring.

Should Iraq implement the terms of relevant resolutions, and economic sanctions be lifted, resolution 715 reiterates that Iraq will be liable for the full cost of WMD monitoring activities.

#### (Iran)

We obviously do not engage in any nuclear cooperation with Iran, nor will we provide Iran with any nuclear related dual-use items that we believe may further Iran's nuclear development effort.

We have repeatedly urged other nuclear suppliers not to sell nuclear technology, equipment or materials to Iran.

Almost all nuclear suppliers, including our major allies, have assured us that they will not engage in any form of nuclear cooperation with Iran, even under safeguards. Efforts to prevent Iran's access to Western supplies of nuclear materials have largely been successful.

Iran continues to obtain nuclear assistance from Russia and China. We have continued our efforts, including at high levels, to dissuade these two countries from further assisting Iran's nuclear program. We have no evidence that either Russia or China is deliberately seeking to promote an Iranian nuclear weapons development program.

#### Question Submitted at HFAC Subcommittee on International Operations April 1, 1993

- ${\tt Q.}$  5. In the face of IAEA demands for inspections, North Korea has announced it is withdrawing from the NFT.
  - -- What strategy will we pursue to prevent North Korea from acquiring the bomb?
  - -- Do we envision Security Council-imposed economic sanctions?
  - -- Will China be helpful?
- A. North Korea's non-compliance with its International Atomic Energy Agency (IAEA) nuclear safeguards obligations and its announced decision to withdraw from the Nuclear Non-Proliferation Treaty (NPT) potentially pose grave threats to global security and regional stability.

The United States remains fully committed to a Korean

Peninsula free of nuclear weapons and to the security of the

Republic of Korea. We have joined the international community
in pressing North Korea to comply with its treaty commitments
and remain a party to the NPT, and we are consulting closely
with members of the U.N. Security Council about next steps.

The U.N. has available to it a wide range of diplomatic
measures from which to choose, including, potentially, economic
sanctions.

The Security Council Fresident's April 8 statement supportive of the IAEA and the NPT was a constructive first

step, and the UNSC passed a resolution on May 11 regretting
North Korea's actions and calling on it to reverse its decision
on the NPT and cooperate fully with the IAEA. The resolution
also calls on relevant parties to make diplomatic efforts to
try to resolve these issues.

We have said that we are prepared to play our part in that process. We have consulted closely with our regional allies, Korea and Japan, who agree the door should remain open for improved relations if North Korea fully removes international suspicions about its nuclear program. The U.S. expects to meet with North Korea in late May to help resolve the current situation resulting from actions North Korea has taken.

China plays a key role on this and other global issues as a permanent member of the U.N. Security Council. The PRC has stated clearly its support for a denuclearized Korean

Peninsula, for the IAEA, and for the Nuclear Non-Proliferation

Treaty. Beijing has undertaken important steps which support the international community's effort to resolve the North

Korean nuclear question. We expect China will continue to carry out its responsibilities on this issue of great international concern. China abstained on the May 11 UNSC resolution but noted in its explanation of vote that its action was not taken in opposition to the will of the international

Followup Question from the Secretary's Hearing before HFAC Subcommittee on International Operations on April 1, 1993 on FY 94 Budget Request

- Q. 6. In 1990, India and Pakistan almost came to blows over Kashmir. Both are potential nuclear weapons states. Indeed, many believe that South Asia is the most likely place for a nuclear exchange. The Bush Administration sought unsuccessfully a 5-power regional conference to address this problem.
- Has the new Administration decided on whether to pursue this?
  - How serious do you believe the problem to be?

#### A. 6.

The primary U.S. security goal in South Asia is to prevent war, which, in the case of India and Pakistan, could lead to the use of nuclear weapons. Although there is no imminent danger of an armed conflict, continuing tensions between India and Pakistan have prompted us to pursue preventive diplomacy to reduce that risk. I refer you to the President's "Report to Congress on Progress Toward Regional Nonproliferation in South Asia" which is being transmitted to Congress later in April.

India has not yet agreed to the five-power proposal, arguing that other areas of security concern to it were omitted and objecting that Chinese strategic forces are not addressed. It proposed instead bilateral discussions with us, and two rounds were held in 1992. We hope to hold a third session in New Delhi this summer. We have proposed similar formal bilaterals with Pakistan and hope to hold an initial round soon. While we are willing to continue holding such bilaterals as long as progress is made, proliferation in South Asia is primarily a regional problem and, in the end, will require a regional solution.

Question Submitted by
House Foreign Affairs Subcommittee on International Operations
4/1/93

- Q. 7. Last year, the U.S. announced an end to the production of fissile material for weapons purposes that was praised around the world. Yet clearly it would be most useful if we could get others India, Pakistan, Russia, China and other to do the same. That may require a global initiative.
  - -- Is this under active consideration by the Administration? If not why not?
  - -- Can we expect a new initiative on this soon?
- A. In 1992, the United States announced that it would no longer produce plutonium and highly enriched uranium for nuclear explosives purposes. We have urged Russia as well as countries in regions of proliferation concern to adopt similar policies. The Administration is currently considering, as part of its ongoing non-proliferation policy review, ways to reduce the proliferation risks posed by the production of weapons-usable materials world-wide. New Administration initiatives in this area will have to await the completion of that policy review.

Question Submitted by Members of the House Foreign Affairs Committee Subcommittee on International Operations 4/1/93

- Q. 8. The press has been full of stories of leakage of nuclear material, technology and expertise out of the former Soviet Union. So far, I understand these stories have been either false or greatly exaggerated. Still, the combination of declining control authority and the bleak economic picture makes the possibilities very real. What are we doing about this? How do we assist these countries in instituting an effective export control regime?
- The United States has taken an active role in efforts to educate the newly independent states of the former Soviet Union in how to establish and implement effective nuclear export control regimes consistent with recognized international U.S. export control teams, joined by counterparts from norms. other nuclear supplier countries, have made a series of visits to these states to lend assistance on export controls. We have also provided guidance to Russia, Ukraine and Belarus on establishing systems for accountancy and control of nuclear Further, in an effort to reduce the potential for materials. leakage of nuclear weapons-related technology and expertise from the states of the former Soviet Union to countries of proliferation concern, the United States has taken the lead. together with other concerned states, in concluding agreements establishing International Science and Technology Centers in Russia and Ukraine. These centers are intended to serve as clearinghouses for civilian projects to employ former Soviet weapons scientists and engineers in alternative peaceful activities.

We are aware of a few cases of black market transactions, notably in Eastern and Central Europe, that have involved small amounts of actual nuclear material (natural uranium, low enriched uranium, and depleted uranium). The cases involving low enriched uranium are of concern, since they indicate black market access to materials that should be carefully controlled. At this time we are not aware of any confirmed case involving nuclear weapons or weapons-usable nuclear material.

Question Submitted by Congressman Berman House Foreign Affairs Subcommittee on International Operations 4/1/93

- Q. 9. Besides Russia, three other former Soviet republics have nuclear weapons on their territories: Ukraine, Belarus, and Kazakhstan. The last thing the world needs is the emergence of three new nuclear weapons states. Ukraine appears the most unwilling to give up the weapons and join the NPT as all three promised to do under the Lisbon Protocol to the START I agreement. Without that, START II cannot begin to be implemented. Ukraine is demanding both money and security guarantees before it gives up the weapons.
  - -- What will be our policy toward Ukraine if it does not live up to its commitment?
  - -- What are we going to do to gain Ukraine's adherence?
    Are we prepared to offer security guarantees?
  - -- If Ukraine refuses to become non-nuclear, what will be the impact on the non-proliferation regime?
- A. We fully expect Ukraine to meet the commitments it has undertaken in the Lisbon Protocol. We have told Ukraine that we want to develop a broad agenda of cooperation, but that this agenda cannot go forward until they fulfill their commitments. In response to related Ukrainian concerns, we are pursuing three initiatives: offering Nunn-Lugar assistance; insisting that an agreement be reached among Russia, Ukraine, Belarus, and Kazakhstan on sharing the proceeds from sales to the U.S. of Highly Enriched Uranium (HEU) that is removed from dismantled weapons; and offering to provide security assurances.

Security assurances, which would be provided once Ukraine has ratified START and acceded to the Nuclear Non-Proliferation Treaty as a non-nuclear-weapon State Party, would be based on

our long-standing commitment to the security of any nonnuclear-weapon state threatened with nuclear aggression, as well as on our CSCE obligations. These assurances would not go beyond existing U.S. policy.

The voluntary renunciation of nuclear weapons by Ukraine would make a dramatic contribution to our global non-proliferation efforts; correspondingly, a decision by Ukraine to retain nuclear weapons would be a serious setback that would only encourage the nuclear ambitions of other countries of proliferation concern.

### QUESTIONS FOR THE RECORD SUBMITTED TO SECRETARY CHRISTOPHER HOUSE FOREIGN AFFAIRS COMMITTEE APRIL 1, 1993

### CONVENTIONAL ARMS TRANSFERS

The world is awash in conventional arms. As industrialized countries reduce their military spending because of the end of the Cold War, their arms industries are looking for ways to stay afloat — and that means exports. The U.S. remains the largest exporter of conventional arms. In the former Communist countries, arms exports are major hard currency earners. The Bush initiative on arms transfers that engaged the permanent five members of the Security Council has fallen by the wayside.

### Question

What is the new Administration's attitude toward conventional arms transfers?

Answer: Our goal is a balance between stopping the proliferation of weapons of mass destruction and certain advanced conventional weapons, while keeping the U.S. in a position where it can supply arms to responsible buyers for their national defense. Responsible arms sales are a legitimate activity, and the U.S. makes arms sales that are consistent with U.S. foreign policy and security interests. Exports are banned to nations that support terrorism, that systematically violate human rights or which have engaged or are likely to engage in aggression. Most U.S. sales go to NATO and other friends and allies, such as Japan, Israel and Saudi Arabia. Within this context, we hope to find a multialteral approach to enhancing transparency and restraint.

#### Question

Should a system of restraint be created? What should it look like?

Answer: We are looking for a stronger and more integrated non-proliferation policy that may include advanced conventional weapons. Our most visible effort at restraint is the 1991 Arms Control in the Middle East initiative. It explicitly seeks to combine restraint among the five major arms suppliers with an effort to reduce demand by establishing a regional political process. In 1992, the five agreed to the London Guidelines for Conventional Arms Transfers, which are a good starting point for building international consensus on what is a good or bad arms transfer. We will seek international agreement on rules of the road for arms sales and integrating conventional arms transfer policy into our regional diplomatic efforts.

The U.S. is also involved in other multilateral approaches to address this problem. These include:

- -- The UN Transparency in Armaments initiative, which is the principal multilateral venue for transparency.
- -- The Forum for Security Cooperation and the Conference on Disarmament are also considering arms transfer issues, and could be used to build consensus to increase transparency and restraint in arms transfers.

We realize that arms transfer restraints which are not multilateral will only encourage other suppliers to increase arms production and sales, and that our efforts should be directed towards multilateral controls.

### Question

How do you recommend that we balance the economic costs of controlling exports with the need to stop conventional arms races seeking high technology weapons?

Answer: A balance must be struck between restraining conventional arms races and meeting legitimate defense needs. We will work bilaterally and multilaterally to obtain a cutback of sales of weapons of mass destruction and the missiles used to deliver them, as well as for destabilizing transfers in general. At the same time, however, U.S. manufacturers should not be precluded from helping meet the legitimate defense needs of responsible buyers.

### Question

What is your attitude toward a moratorium of arms transfers?

Answer: Given the pattern of our sales, we have not supported constraints on the overall volume or value of U.S. defense sales outside the context of broader arms control agreements, nor have we supported unilateral moratoriums on defense sales. There is widespread capacity to produce conventional arms, and only a multilateral approach to arms transfers will be effective. Arms transfer restraints which are not multilateral could encourage other suppliers to increase arms production and sales.

# Question Submitted at HFAC Subcommittee on International Operations April 1, 1993

- Q: 11. China remains a major proliferation problem. Last year there was evidence that China Shipped missile technology to Pakistan despite its promise not to. It also signed a major nuclear cooperation agreement with Iran. It may still be cooperating with Pakistan's nuclear program. It refuses to adopt full-scope safeguards as a condition of nuclear supply or to join the Nuclear Suppliers Group It withdrew from the talks on conventional arms transfers guidelines and on guidelines for dual-use technology. The Bush Administration policy toward China appeared to be one of "constructive engagement" that was not particularly effective.
- -- How do you propose to deal with this problem? Will the Administration recommend extension of MFN? Will it accept conditionality on the extension?
- A:- With its signature of the Chemical Weapons Convention, the Nuclear Nonproliferation Treaty, the Biological Weapons Convention and its adherence to the Missile Technology Control Regime Guidelines, China has formally committed to abide by the major nonproliferation agreements. However, the Chinese have not accepted the revised MTCR Guidelines announce in January 1993.
- -- While we continue to have concerns about Chinese proliferation behavior, we do not have conclusive evidence that Beijing is violating any of its nonproliferation obligations.
- -- Most troubling is growing evidence that China may have transferred the M-11 missile or its components to Pakistan. If we determine that China has transferred the M-11, we will not hesitate to take the action required under U.S. law.

### Regarding MFN:

- The Administration has not yet reached a final decision on this issue and will consult closely with Congress before doing so.
- -- President Clinton has made his position on China very clear. He recognizes China's importance. However, the President also believes that China must adhere to international obligations and standards in the areas of human rights, nonproliferation, and trade.
- -- In the interest of promoting further progress in these areas, the attachment of conditions to China's most favored nation trading status is likely this year.

# THE FOREIGN RELATIONS AUTHORIZATION REQUEST FOR FISCAL YEARS 1994 AND 1995

### TUESDAY, APRIL 20, 1993

House of Representatives, Committee on Foreign Affairs, Subcommittee on International Operations, Washington. DC.

The subcommittee met, pursuant to call, at 2:40 p.m. in room 2200, Rayburn House Office Building, Hon. Howard L. Berman

(chairman of the subcommittee) presiding.

Mr. BERMAN. The Subcommittee on International Operations will please come to order. I apologize for the delay, but we had a number of votes on the House floor. I now look forward to having an uninterrupted time with our very distinguished witness, the Under Secretary of State for Management, Brian Atwood, soon to become the AID administrator. Has there ever been a shorter term for Under Secretary of State for management, Mr. Atwood?

Having dealt with you in your earlier capacity as head of the National Democratic Institute, I believe the administration in both cases has made a very wise decision. And we look forward to working with you in both capacities since this subcommittee has jurisdiction over both AID's operation and expense as well as the State

Department.

The purpose of today's hearing is to have the administration present its fiscal year 1994 and 1995 Foreign Relations Authorization request. We would also be pleased to hear about Secretary Christopher's plans for reorganizing the State Department. The GAO investigations, the Inspector General reports, and four hearings by this subcommittee over many years have failed to induce needed changes.

As I indicated at our subcommittee's last hearing on the subject, our diplomatic professionals and the American public deserve a Foreign Service personnel system which not only meets public needs but also makes sense. The Foreign Service system of today appears to do neither. I believe it is time to close the books on all the reports, analyses and studies, and make the needed changes.

This hearing marks the beginning of a process which, with the new administration, will hopefully break through the bureaucratic gridlock and achieve legal solutions to the Foreign Service problems. The State Department's contemporary internal organizational history has been one of fragmentation, duplication, bureaucratic layering and increasing top heaviness.

A proliferation of bureaus and offices has in some ways made the situation worse. Functional bureaus now have regional services and geographic bureaus have functional offices. Duplication and overlap has been excessive. At the end of the last administration, a total of 48 appointees at State were considered to hold assistant sec-

retary rank or the equivalent.

In strictly bureaucratic terms, innovation in dealing with transnational portfolios such as human rights and the environment has been difficult at State, where issues have often been dealt with or not dealt with according to whether they arise inside or outside U.S. borders, rather than according to their substance. This kind of bureaucratic thinking limits State's ability to deal with genuinely transnational issues and drives political leaders to look elsewhere in government to handle them.

I believe the Department needs to reorganize and staff itself to improve two key performance characteristics, responsiveness and relevance. It needs to eliminate excess bureaucratic layers and compartments so as to speed the flow of its intelligence and analysis input into policy formulation. State also needs to restructure itself so as to organize an information flow relative to

decisionmakers who increasingly view issues transnationally.

Finally, the Department needs to reform the Foreign Service to provide the staffing necessary to do the work of the 1990's and beyond. Secretary Christopher has proposed an organizational reform package which aims to achieve some of these ends. Would any of my other subcommittee colleagues wish to make any opening statements? If not, we will proceed to hearing from Under Secretary Atwood

[The prepared statement of Howard L. Berman appears in the

appendix.]

### STATEMENT OF THE HONORABLE J. BRIAN ATWOOD, UNDER SECRETARY FOR MANAGEMENT, DEPARTMENT OF STATE

Mr. ATWOOD. Thank you very much, Mr. Chairman, and thank you very much for your comments about my nomination to be the AID administrator. As I said to a group of people at the Department soon after I was nominated to take the AID job, for those of you who wish to understand how to be successful in government, one has to know when to move on.

I would ask that my full statement appear in the record.

Mr. BERMAN. That is a comment around here that's not thought of very highly.

Mr. ATWOOD. I recognize that we have different orientations. Mr. BERMAN. What about experience, continuity, longevity?

Mr. ATWOOD. We wish you well. Mr. BERMAN. Thank you.

Mr. ATWOOD. I would like to read just portions of my statement today, Mr. Chairman, so that we can have more time for questions. But there are some things I would like to highlight.

Mr. BERMAN. Your entire statement will be included in the

record.

Mr. ATWOOD. Thank you very much. I am pleased to appear before this subcommittee today to present the Department of State's reorganization plan and to defend the administration's request for \$5.3 billion in the State chapter of the budget. I was present when Secretary Christopher appeared before your committee to discuss

the administration's approach to the many challenges the Department faces in a rapidly changing world, and began consideration of

our authorization bill for fiscal years 1994 and 1995.

We have already benefited from the exchange you had with him and we look forward to continuing this important dialog. I am going to review our approach to managing the Department's conduct of foreign affairs, our budget request for 1994, and some of the more important features which we hope will be contained in the Foreign Relations Authorization Act which your subcommittee will soon mark up.

I hope you'll understand why the tasks inherent in the first phases of the transition have prevented us from formally submitting a draft bill. I can assure you, however, that our proposal has been submitted to OMB and I will be prepared to say a few words

about it today, with their approval.

Our goal is a bill that both sides of the aisle can be proud to support and which will provide us with the management authority and flexibility together with the authorized appropriations we need to do our jobs. As a context for our proposal, I would like to review

the key points of our reorganization plan.

The plan has three major objectives. The first is to create new focal points for foreign policy initiatives, particularly on global issues and in our relations with Russia and the Newly Independent States of the former Soviet Union. Secondly, we want to improve management and communication by strengthening the role of the five under secretaries giving them line authority and making them the senior foreign policy advisers to the Secretary and the Deputy Secretary.

This system will in turn facilitate access by the assistant secretaries to the seventh floor and the Secretary and assure improved coordination on crosscutting issues. Indeed that has already taken place. Third, the plan will streamline the Department's operations by reducing excessive layering at the deputy assistant secretary

level and by requiring fewer clearances.

The reorganization plan emphasizes management principles the Secretary values: openness, flexibility, collegiality, and diversity. Under Warren Christopher's leadership, the State Department will become more open and attentive to the Congress and to the American public. His approach facilitates the sharing of policy views with the rest of the Department and with our posts overseas. Openness also means delegating greater responsibility throughout the ranks of the Department's professional staff in Washington and the field.

We are committed to involving working level and junior officers in the foreign policy process. We also seek a more collegial atmosphere within the Department with Congress and in our contacts with the interagency community. This emphasis on collegiality and personal ties is clearly reflected in the President's top cabinet and national security choices. All are foreign policy professionals who work well together.

Finally, Secretary Christopher wants the Department to reflect the full diversity of America, not only in terms of race and gender, but also in terms of geography and range of experience. I am proud that we are addressing this goal in our appointment process. We must now hire, train and retain more women and minorities, particularly in the mid-level and upper levels of the Foreign Service

and Civil Service.

Seen in these terms, the Secretary's reorganization goes beyond wiring diagrams to building a more efficient, flexible and representative Department capable of crafting and implementing President Clinton's foreign policy. In general terms, we have made good progress on the reorganization front. We are eliminating about 24 DAS and DAS equivalent positions which represent 28 percent of the current total. In addition, 15 executive assistants and executive directors, who will continue in their positions, will do so without the DAS equivalent title.

We recently submitted reprogramming letters on the reorganization plan to your committee and others informing you of our desire to move ahead with all changes that do not require legislation. But we now need your help to enact legislation to implement key aspects of our plan. Your cooperation will be vital in completing the organizational flexibility needed to respond in the future to chang-

ing circumstances.

believe both the reorganization plan and our appointments demonstrate that Secretary Christopher places a great deal of emphasis and importance on the Foreign Service. First and foremost, the Foreign Service is an important balance wheel in the foreign policy process. FSO's are the year-in year-out players in a process that often sees many of its cast of policymakers change frequently, albeit not as frequently as I have changed my position.

Concerns about maintaining the nonpartisan role of the Foreign Service led the Secretary to establish an advisory panel headed by distinguished retired diplomats, Dick Murphy and George Vest, to examine the implications of the U.N. sponsored El Salvador Truth

The Secretary hopes the panel's findings will insure that FSO reporting, particularly human rights reporting, is candid and honest and is not molded to fit political concerns. He also wants to ensure

that we are responsive to congressional and public inquiries.

In addition to the El Salvador panel, the Secretary wants to make sure that FSO's who loyally serve administrations, whether they be Republican or Democrat, are not unfairly accused of partisanship when they are simply carrying out their duties. We believe it is in the national interest to stop the cycle of political recrimination and help the Foreign Service resist manipulation.

We are fortunate that your committee shares a deep interest and commitment to the health and future of the U.S. Foreign Service, which is and should remain a national asset. We look forward to working with you this year and the years ahead to resolve the problems that do exist, like our need to reduce the size of the most senior ranks without losing the very officers we need to lead efforts to respond to change. Moreover, we must make up for the many years in the past when the State Department simply did not do enough to attract and then retain women and minorities.

Let me move to the fiscal 1994 budget request for \$5.3 billion, which I mentioned before, with about \$2.8 billion of this amount going to what is formally known as "administration of foreign affairs". We want to work with your committee to perfect and pass the Foreign Relations Authorization Act for the next 2 years. This legislation contains many features we need to meet our evolving responsibilities during what will surely be a period of tight budgets.

Besides authorizing the funding we need, and I cannot exaggerate the importance of our getting adequate resources in what we know will be a tight budget year, the bill we hope to get to you within the next few weeks will contain a number of provisions of great importance to the Department and to the American people. For example, we hope the bill will implement the Department's reorganization plan by providing the Secretary with the flexibility needed to match the Department structure and practices to the requirements of a rapidly changing world. We hope that it will also repeal provisions placing authorities and responsibilities in particular bureaus and vest them instead in the Secretary of State.

We hope that it will allow the President to appoint a fixed number of Under Secretaries and Assistant Secretaries of State without designating their titles. This would enable the Secretary to meet both current and future organizational needs by creating and consolidating bureaus and offices while creating incentives to stream-

line decisionmaking at the State Department.

These authorities would be exercised in consultation with Congress through current programming procedures. We also will seek to clarify the authority of our Foreign Service Institute to provide training to officials from nations emerging from years of totali-tarian rule as a part of democratization programs funded by other agencies. This would of course be done in a manner that would not affect their ability to train our own diplomats first and foremost.

Finally, we would like to work with you in cooperation with the Office of Management and Budget, OPM and other committees, on ideas that would help the Department to implement the presidentially mandated 4 percent personnel reductions by encouraging

eligible employees to retire within a specific timetable.

In conclusion, let me assure you that I will work as hard as I can to move forward these goals while I have the privilege of serving in this position. And I maintain an interest in these issues should I be confirmed as the administrator of AID. Of course I recognize that this subcommittee now takes action on the AID operations budget as well as that of the State Department and I am sure that we will spend many years together discussing those issues.

Thank you very much, Mr. Chairman.

Mr. BERMAN. Thank you very much, Mr. Secretary.
[The prepared statement of J. Brian Atwood appears in the ap-

I will recognize myself for 5 minutes. This hearing is not only a hearing on the Budget Act, but a hearing which gives the subcommittee the opportunity to review the administration's reprogramming request which seeks to implement that part of the organizational plan which does not require statutory changes.

A copy of that plan was announced early in the new administra-tion and is included in each Members folder. It begins to address some of the issues that I've been concerned about. I believe the ranking Member of the subcommittee, Ms. Snowe, shares my hope that we will craft a bill while recognizing the tremendous budget constraints and recognizing that you have put together a bill which is an actual freeze. Even though there are significant increases in funding for international peacekeeping, for example, and aid for the former Soviet Union, there are equivalent cuts elsewhere to allow you to run the whole operation, including foreign assistance and support for the multilateral development banks. There are no additional dollars, no built-in inflation factor, no baseline increases, a true freeze.

From the \$21 billion budget, it knocks about \$190 million in additional outlays from the request. There are going to have to be cuts and your testimony talks about internal overhead cuts that you are going to have to make to comply with the President's edict

to all the different executive branch agencies.

What I hope we can do is provide you in this bill with a level of flexibility that has been unknown for years in the State Department. In other words, we're going to ask you to undertake the operating aspects of the State Department for less money in reality than you've had in the past because of these other programmatic increases that, I think, do meet critical priorities like peacekeeping, like aid to Russia, and give you the flexibility so that you won't be coming back and saying how can I be expected to live under this budget when I'm constrained from doing this and this and this.

And we're going to really try and get ourselves out of the business of micromanaging. Critical to making that acceptable, I think to the subcommittee, to the full committee and to the Congress, is a level of consultation and discussion about different ideas that is far greater than we have had in the past. Everything I've seen since the new administration came indicates that this is clearly within your scope, within the Secretary's scope. He's been up here on a number of occasions now talking to Members of the committee and to the appropriators as well, and I think that augers well for working on that kind of cooperative basis where we reduce all the congressional restrictions that we can within the limits of the law and, at the same time, allow you to perform the missions efficiently.

I want to ask you just a few quick questions about the budget, then yield to my colleagues and come back and talk about some of the broader issues. I notice a substantial cut in the administration and maintenance of buildings abroad, \$140 million decrease in this

year's budget submission. What is the basis of that cut?

Mr. ATWOOD. Well, it is really a baseline budget. Last year \$140 million was put into the budget for the Embassy in Moscow. And the way the budgeters measure these things, since we're not asking again for \$140 million for Moscow, that is a cut.

Mr. BERMAN. So basically we appropriated the funds for you to

undertake the operations with the Moscow Embassy?

Mr. ATWOOD. That's right.

Mr. Berman. At this particular point the Congress has stated that the administration must make some decisions about what they want to do. Is the administration planning to present us with an action plan on the Moscow Embassy?

Mr. ATWOOD. We are indeed. This whole program is under review, as the Secretary indicated in testimony before another House subcommittee a few weeks ago. What we have to do at this junc-

ture is to look at our needs in Moscow for secure office space, meaning space for the kinds of operations that require extra protections. We also have to look at our needs for unclassified space.

As you can well imagine, our consular activities have increased dramatically in Moscow as a result of the new openness, the new relationship that we have with that country, and to some extent probably because of the economic problems they are facing. We have to look at this building that is now 65 percent or so complete, which is the bugged building, the one that was compromised, the one that we cannot use for security-related activities, and see whether or not we can complete that building with some of the \$240 million that has been appropriated and to conduct unclassified activities in that building.

I have recommended to the Secretary that he form an interagency group to study the question of our presence in Moscow. We have to see exactly what agencies need to be there, and at what levels. And if the agency requires secure office space, we need to know that. There is of course space within the existing, old office building, the one where we had a fire. That office building has now been repaired, it's a lot better. It accommodates perhaps more people and is a lot more conducive to work. It was really in horrible

shape.

So perhaps the fire was a blessing, I don't know. In any case, we then have to determine whether or not new secure office space is needed, whether or not we do in fact need to go ahead and build a 60,000 square foot building that the Congress appropriated money for. I think it's only fair to the American taxpayer that we look at these questions very, very seriously before coming back to you and telling you what our plan is for the use of that \$240 million.

Mr. BERMAN. Do you have a timeframe?

Mr. ATWOOD. I don't have a specific timeframe. I would think that we can do that within the next 6 months certainly.

Mr. BERMAN. OK. I recognize the gentlelady from Maine.

Ms. Snowe. Thank you, Mr. Chairman, and welcome you, Mr. Secretary. And we will be seeing you in your new capacity in the future and so we welcome you here today and appreciate your testimony as well as the budget that has been submitted by Secretary Christopher because it clearly is the fiscally austere budget and, given the times that we're facing, it clearly demonstrates, I think, the reality of our circumstances. So I certainly appreciate the budget that has been proposed.

How do you plan to implement the cuts at this point? It does rep-

resent a hard freeze.

Mr. ATWOOD. Well, the answer to that is partially demonstrated in the reorganization. We have not yet completed the reorganization exercise. We have in fact reduced something like 38 percent of the deputy assistant secretary positions. In effect, that works out to about 28 percent that are actually reduced because we will eliminate those jobs entirely.

The others simply lose their titles, so to be fair, it's about 28 percent. But what we're working through are reorganization plans that the various bureaus have provided to me and what we're find-

ing of course is that we're moving around resources in order to ac-

complish new objectives.

Some of the bureaus are brand-new, such as the Bureau of Narcotics, Counterterrorism, and International Crime. We will move the counterterrorism office into that newly consolidated bureau and clearly the old Narcotics Bureau will get a little larger because of that need.

On the other hand, we eliminate the Counterterrorism Bureau. I think in this process what we're going to be doing is adding some here and subtracting some there, but overall we want to subtract and not add to the overall Department's contingent. So our hope is

that we will find savings there.

A lot of the savings that we're finding in this very austere budget, as you point out, is in simply putting off once again the infrastructure costs of running the Department. We can't afford to do that much longer and we're going to have to find new and creative ways to purchase, for example, the information technology we need to run the Department. We're going to find that if we can create a department that has that information technology, we will be able to reduce staffing as we modernize.

I met this morning with a staff group that came in from the Vice President's Committee to Reinvent Government. Part of this whole exercise is not simply to change wiring diagrams and to reduce positions, it's to change the way people think about government. Too many times people can rationalize so easily because of the way we

practiced government by bureaucracy over the years.

We need to begin to think in different new creative entrepreneurial terms about the way we can run government. That is an exercise that is going on at the same time that we're looking for reductions in the Department. I hope that it will all come out with even more savings than we have managed to find thus far.

Ms. SNOWE. In the reorganization plans, I understand that it will remove the mandates for specific organizational structures, but it will retain the requirement for performing the missions; is that cor-

rect?

Mr. ATWOOD. That's right.

Ms. SNOWE. So the Secretary will have considerable flexibility in

how these services or responsibilities are implemented?

Mr. ATWOOD. He'll have a lot more flexibility if you are willing to give him that flexibility, and I can only suggest to you that streamlining is the motif behind the Secretary's desire for that flexibility. We will obviously undertake the same missions, many of which are established by statute. But we may find a different way to do them, put them in a different bureau, or give the assistant secretary a different title if we think that is appropriate.

Ms. Snowe. As you know, the State Department is somewhat top heavy in terms of its senior executive level positions, having 1 percent of all the Federal employees, but has 10 percent of all the senior executive level positions. How does your plan address that prob-

lem?

Mr. ATWOOD. Let me just say before answering that question, that it is true that the State Department has 10 percent of the senior employee work force in the government. Nonetheless, the State Department is unique in comparison to other departments in gov-

ernment, in that we have 270 posts around the world that we have to staff. About 70 percent of the people that staff those embassies at the top level, at the chief of mission level, are career State De-

partment Foreign Service Officers.

We had about 42 different bureaus and offices in the Department before the reorganization and we have eliminated about a dozen of those, but we still have more bureaus headed by an assistant secretary than any other department in government. And when you consider even the deputy assistant secretary level people, and again 75 percent of those are career people, the office and country directors which are senior Foreign Service positions, we have more senior positions than any other department in government.
We do have a problem now, and I think it's a temporary one,

with too many senior Foreign Service people. A lot of them have stayed a lot longer than the normal attrition rates because of the need to stay in for the high three. There was a big increase in government pay a few years ago and a lot of people don't want to leave until they get their high 3 years of salary for retirement purposes, and that date is January of next year.

We expect a lot of people will leave at that time and that will

solve a lot of the problems for us. In addition, certain changes that we made internally under the Foreign Service Act on questions of limited career extensions and time in class requirements are keeping people in the Service a little longer. So we have a senior For-

eign Service glut at this time.

We're working on provisions to encourage early retirements. We're still awaiting OMB's judgment on this and we will ask you to support these provisions if we get OMB's approval. So we need to eliminate some of these positions clearly, and we have a problem now but I think it's a temporary one. We didn't know a few years ago that we would have 20 additional posts that we had to put senior Foreign Service Officers into, so we're living in a very unpredictable environment.

I think that there is a justification for a large Senior Foreign Service. Perhaps not as large as it is now, but there is a justification for a large senior Foreign Service in light of the mission that

the Department has.

Ms. SNOWE. Thank you.

Mr. Berman. Before I recognize Mr. Menendez, I would like to welcome Mr. Atwood's accompanying aides, Meg Donovan and Susan Andross, both of whom used to work on the Foreign Affairs Committee staff and whom are now working at the State Department. They used to be in back of us, now they are in front of us.

Mr. ATWOOD. Gives new meaning to the phrase separation of powers, doesn't it, Mr. Chairman?

Mr. BERMAN. But let me assure you there are many people here who think you haven't yet given enough new meaning to that term. Mr. Menendez is recognized.

Mr. MENENDEZ. Thank you, Mr. Chairman. Good afternoon, Mr.

Mr. ATWOOD, Good afternoon,

Mr. MENENDEZ. The State Department had a recruitment budget for 1992-1993, that was about \$900,000, and I understand that for the rest of this year there is a freeze on bringing on anyone new

into the Foreign Service Office; is that a fact?

Mr. ATWOOD. No, we haven't totally frozen it. We have reduced the number of people that we're taking in because of the problem I just mentioned with regard to the Senior Foreign Service. And indeed, Congressman, we have increased the recruitment budget because of our desire to have a more diverse group of people coming into the Foreign Service. We have increased it to about \$1.3 million and we have put together with a professional recruiter a very, very ambitious plan to bring in more minorities and women.

I am very excited about this plan. I think it will work. It will be

the beginning of a process of recreating the Foreign Service.

Mr. MENENDEZ. The \$1.3 million is the proposed budget we are

discussing?

Mr. ATWOOD. We have managed to find additional funding for this purpose. I am talking about the current fiscal year we have increased it to \$1.3 million.

Mr. MENENDEZ. And it's not the case that those to whom you have offered employment to this date and who have accepted it will be part of the limitation; that is, you are continuing to pursue em-

ployment in terms of the recruitment efforts?

Mr. ATWOOD. We're continuing. I am not sure that we will bring as many junior officers classes in this year. Perhaps I will give you the number of classes and the number of people for the record. I don't have that with me at this time.

[The information was subsequently provided for the record and

follows:1

In the current fiscal year, we have hired 122 Junior Foreign Service Officers. The last class will enter in August and will include approximately 20 individuals.

In normal budget years, we have classes entering in October, January, March, June and August. Our hiring plans for fiscal year 1994 have not been finalized.

Mr. MENENDEZ. My concern is, and the chairman was good enough to let me raise it at a hearing, and I've raised it with the Secretary when he was before the committee and I would like to raise it today, particularly while you are in your present position before you move on. And that is the issue of minorities in general within the State Department, but particularly one that I have concern about: Hispanics within the State Department.

I keep raising this in the hope that I will get an answer that will indicate to me that something is being done. First of all, I see no action and I see no plan of action. Now maybe there is one, but it hasn't been unveiled to me yet, or to the committee. Hispanics represent about 9 percent of the U.S. population and growing, yet they represent about 4.2 percent of the entire Foreign Service staff. And that is about 216 Hispanics in a Foreign Service of over 5,000 people.

I think it's time that we did better. But even more disturbing than that is that in all of our embassies abroad, there is only one Hispanic Ambassador, Chris Arcos in Honduras, and that's an other issue. I think that there is a term, I don't particularly care for it, but within the Department called the "cucaracha circuit."

To be very honest with you, it disturbs me that we have highly qualified people capable of serving beyond Latin America and the Caribbean, although it is important nonetheless that those parts of the world that the circuit serves are represented, but nonetheless

we don't seem to be making any progress.

Now, I keep hearing all the right words. I keep hearing-I've heard in your testimony today, happy to see it—diversity. I am happy to read on page two that we must now hire, train and retrain more women and minorities, particularly in the mid- to upper-levels of the Foreign Service and Civil Service.

So, I hear all the right words but I don't see what the plan of action is. And now that you are reorganizing, it seems to me to be tremendously opportune. Can you describe to me what is the plan of action, specifically, that will begin to create the diversity that I

keep hearing the Department talk about?

Mr. ATWOOD. Well, I don't blame you for being skeptical in light of the record. The record is not a good one, Congressman, and it's particularly poor in the mid to upper level ranks of the Foreign Service. We have to do some things affirmatively to change that. And one of the things that we would like to do, if we can get some clarification of the law, is to begin affirmatively bringing people in at the mid-level ranks in order to change the circumstances at those ranks.

I think we're doing better at the junior class level. In fact I think that the junior ranks are pretty reflective of the percentages that you talk about. The problem is when we get to the senior ranks, where quite clearly we're deficient. You don't have sort of role models, you don't have anything other than a lot of white Anglo-Saxon males serving in the position of Ambassadors or assistant secretaries.

I would like to come to your office and sit down with you and go over our recruitment plan with you. In fact, I would like very much to hear any additional ideas that you may have. I think this recruitment plan is a very exciting, new effort to try to get to areas

of this country where we haven't gone before.

Obviously when you are talking about even an increase from \$900,000 to \$1.3 million for recruitment, it's not enough. The Secretary the other day met with a gentleman that is in the room today, Bill Kirby, the head of AFSA, the Foreign Service Association, and they are taking some steps which I think are very important and interesting as well. They are going to join us in this recruitment effort and, in addition to bringing in interns each summer, they are going to ask retired Foreign Service Officers to be in touch with the people that have come in as interns, to encourage them to continue their interest in the Department and the Foreign Service in hopes that they will apply for positions.

There is an awful lot that needs to be done. It's not going to change overnight, even if we can begin bringing in larger numbers of mid-level people, because once people get in, it's a question of retaining them. We need to make sure that people are not just feeding them to the wolves, so to speak, but they are watching their careers and nurturing them. All of this has to be done if we're going to find people like Chris Arcos and Pete Ramirez, who are in fact nominated as Ambassadors and can serve in that capacity.

Mr. MENENDEZ. I realize my time is up, Mr. Chairman. Mr. Secretary, this is not the State Department that you created or that

Secretary Christopher created, and I welcome your visit. I would

really like to see what this recruitment plan is.

I have to tell you I am highly skeptical because I hear all the right buzz words but I don't see any plan of action that would be really significant. When I've heard comments, I've heard them like mentoring, which will take us into the next century and still won't have any significant results. And so I look forward to that.

I have other questions, Mr. Chairman, but-

Mr. BERMAN. We will go around again. I recognize Mr. Levy.

Mr. LEVY. Thank you. The people who live in the communities that I represent have historically recognized this country's role in the world and the importance of our foreign aid programs. And having just come back from 2 weeks in the district for the first time where we were holding community meetings and constituent get-togethers, as I guess many of us did, I was hearing for the very first time that in this political environment when this country faces a tremendous deficit that we ought to rethink some of the money that we're spending abroad. I tend not to agree with the people who said that.

There is a tremendous amount of consternation in this district as to the amounts of money that we're talking about sending to what was the Soviet Union, which was a surprise to me, quite frankly, that it met with this type of reaction in this district. What I am wondering is if there is anything planned at the State Department or at AID, if you know, which is intended to increase public support for these types of programs, or are we frankly on our own to go back and try and convince our own constituents as to the correctness of continuing a foreign aid program in this country?

Mr. ATWOOD. Yes, Congressman, indeed the Secretary has stated a number of times that for every speech that he gives in a foreign country, he will give a speech in this country. He has already been out to Chicago and plans additional speeches. The President clearly is aware of skepticism about any foreign spending at this juncture and has made a number of statements about the importance of making sure that Russia stays on the path to democracy, in terms

of our interests.

And I think that the larger case is made and must continue to be made with your help. The threat in the world today is no longer the threat of communism. It isn't a single force that concerns us. It is many forces. It is multiple, it is global, it is such things as the increase in population, the environment, the ethnic conflict.

We must try to avoid the tremendous costs of disastrous situations like Somalia. Given the humanitarian instincts of the American people, when they see millions of children dying they are going to say to their political leaders, we want to help those people. And when we get into a situation like Somalia, when it's gone down the road that far, when people are dying on television before your very eyes, we will have to respond.

And in the case of Somalia we're responding, it's costing us billions of dollars. If we can put a little bit of money into preventative work, remedial efforts, what is sometimes called sustainable development efforts, then we can avoid those tragedies and we can create a world environment that is more conducive for us to pursue

our own interests.

That message has to be carried in a variety of ways. The most important voice is the President of the United States, but the political leaders of this country have to carry that message as well.

Mr. LEVY. One of the things that sells in this whole issue is the fact that so much of our foreign aid dollar is actually spent back in this country. People sit up and take notice when you tell them

that and then they want some proof.

My recollection is that the Secretary spoke in terms of the State Department's willingness to prepare some sort of analysis on a State-by-State basis as to how that money is actually spent back in this country. Do you know if that is actually being done or if anybody's working up such a study?

Mr. ATWOOD. Congressman, I don't know whether any study is being done now, but I've seen other studies in the past about that and I am sure that information is available. I think that is one way of making the case, a very effective way, but it's very hard to track

the jobs.

I saw some figures the other day that our trade with the Third World, with the developing world, is in the \$130 billion range and that it counts for something like 19 million jobs in this country. Unfortunately, it's difficult for people to understand those figures. They hear them, but as long as people are unemployed in this country, they are still going to be skeptical about that.

But we have to keep hitting them in a number of different ways

to make them more aware of the importance of this.

Mr. LEVY. So the people who are less humanitarian than you might think are very receptive to the idea that foreign identify spending might actually help our situation in this country in terms of jobs and unemployment.

I thank you, very much. Mr. ATWOOD. Thank you.

Mr. BERMAN. OK. Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman. I certainly want to offer my personal welcome to Mr. Atwood here before the committee. I do express my deepest regret that he's not going to serve in his capacity as Under Secretary, but will now be in charge of our AID agency.

Mr. BERMAN. The only place that may need him more than the

State Department is AID.

Mr. FALEOMAVAEGA. But I just want to do a little following up on my friend from New Jersey's questions and concerns about the recruitment of qualified minority members within the State Department. You know, we have taken this issue for the last 4 years now even under the Bush administration and they kept telling us, yes, we do have a very aggressive Affirmative Action Program to assist or to provide a fairness, if you will, a sense of equity about opportunities for both women and minority groups to be members of the Foreign Service.

And I just wanted to ask the Secretary if in fact there is a plan now in place or is it just being talked about or—I just want to know by some sense of definition or timetable, are we going to have a plan set up in a 5-month period or another 2 years or—you know, we have had this 4 years ago, at least for the 4-year period that I've served on this committee, and yet I have yet to see something

in actual—in place where I can sense that there really is a sincere and a most serious effort on the part of the State Department, the

administration, to see that this can be done.

Mr. ATWOOD. Congressman, I think it would be good at this point to ask the chairman if we could make a part of the record the actual recruitment plan that we have devised. And I think it would be useful for anyone who wishes to study this record, but I would again offer to talk to you about it personally.<sup>1</sup>

The missing ingredient in our recruitment is an effort to bring in people at the mid level, to try to change the demographics of the Department in both the Civil Service and the Foreign Service at the upper grades. We are awaiting some legal opinions that have

to be given to us by the Justice Department.

Under the Civil Rights Act that was passed a few years ago, the last administration interpreted it one way and we would like it interpreted another way, but we're waiting for the Justice Department to give us a judgment on that to see whether or not we can more affirmatively try to correct these deficiencies at the mid-level.

Mr. FALEOMAVAEGA. Is there some kind of a system, probably you might say as an unofficial word, how do some of our ivy league schools get the best preparatory work for students who want to seriously enter the Foreign Service in terms of their preparation for

the Foreign Service examination?

Because this always seems to be the bug that always seems to get everybody very, you know, uncertain in terms of how does it really go? If I go to Georgetown Foreign Service School, I get a better chance of going in the Foreign Service because they prepare you properly, but in terms of other institutions—there is a tradition certainly among the Ivy League schools, when Foreign Service Officers go to recruit, everybody is set up on a red carpet, they know how to deal. But when you go to some other public universities, it's almost like, you know, come back next week or maybe we might not even bother going to this school.

Mr. BERMAN. Because they are recruiting their sons and daugh-

ters.

Mr. FALEOMAVAEGA. Yes, and I just wonder if there is an unwritten tradition in the Foreign Service like there are only certain schools and that is where we get the cream of the crop, but forget some other State university in Iowa or Arkansas or some other State where they are not really given that sense of fairness where a student who seriously wants to pursue a Foreign Service career but because he just simply did not have the tools to properly prepare for that examination. And the examination, I mean you have to be a genius to pass this examination literally.

I have seen some of the worst Foreign Service Officers I have ever met in my visits to the different embassies and I wonder, how in the world did this person become a Foreign Service Officer? Now, you might pass the examination, but on a people-to-people basis, I am sometimes surprised how we end up getting people like

this.

Can you comment, is there a procedure, is there a formal dialog existing among the Foreign Service schools that prepare our For-

<sup>&</sup>lt;sup>1</sup> See appendix.

eign Service Officers as opposed to other State universities where a student from Iowa State or University of Illinois or, you know, public institutions where the kid over there really wants to make a good go, but simply because he didn't get the right wording or the right papers, just didn't get the right pencil or something, that automatically puts him on the rough edge as far as passing that Foreign Service examination?

Mr. ATWOOD. Well, Congressman, the one thing I won't do in answering your question is to criticize the Georgetown School of For-

eign Service

Mr. FALEOMAVAEGA. Please, I didn't mean it that way at all. Mr. ATWOOD. Since it's the alma mater of the President.

Mr. FALEOMAVAEGA. And I suspect from your comment that we're going to have 90 percent of our recruiters going to Georgetown.

Mr. ATWOOD. No, no.

Mr. FALEOMAVAEGA. Or Yale Law School, perhaps.

Mr. ATWOOD. As a matter of fact, I think if you were to look at the demographics of the Foreign Service today, what you are saying most certainly was true 30 years ago or around the time when

I entered the Foreign Service perhaps, is no longer true.

I think that we really do recruit people from all over the country. At least geographically it's a well-dispersed group of people. I am told that \$350,000 was allocated last year to implement a 5-year strategic recruitment plan, the main thrust of which includes a strong focus on targeted recruitment at historically black colleges.

And last year a grant of \$217,000 funded the first nine foreign affairs fellowships. Three fellows were from these historically black colleges. This year \$572,000 will fund the second cohort of 15 fel-

lowships, two of whom attended historically black colleges.

So we are doing some things to recognize the deficiencies of the Department in this area. The Foreign Service exam itself has been controversial over the years and we continue to work on refining that to make sure that we're not excluding intelligent people simply because they haven't gone to a school that specializes on helping you pass that test.

Mr. BERMAN. We will be going around again. I just-

Mr. FALEOMAVAEGA. OK, go ahead.

Mr. BERMAN. Your questions reminded me of three great points I wanted to make. One is that I just spent a week in Ukraine and Russia, and actually found the Foreign Service people there to be excellent and incredibly hard working under extremely difficult

conditions.

Take a look at that compound where our Embassy is located in Moscow. You can imagine what we're dealing with in Ukraine and some of those other republics. So at least in that one instance, and in many other instances as well, I found the Foreign Service people there to be really sharp, really attentive. But also probably they were a little weak on diversity in some respects, and that's not their fault.

Secondly, when we talk about who goes into the Foreign Service, I am just—I think one test of whether or not things are changing who goes into the Foreign Service is to see how many of the new admissions into the Foreign Service have first names that are last

names. And if that is starting to go down, then you know things

are starting to change.

I would like to discuss the question of reorganization. As I mentioned before, you started the process, you are putting bureaus into a line—under secretaries instead of free-floating agencies that are supposed to report directly to the Secretary. You are creating a logical structure. You are cutting down the number of deputy assistant secretaries.

Some of us question why the position of deputy assistant secretary exist, except insofar as that person is the person running a particular office or bureau. Why is it out there as a free-floating position? The most ludicrous situation is what I'm told is the situation in Canada where you have a Canadian desk officer. What is that? You have a Canadian desk officer, you have a deputy director for Canada, you've got director for Canada, you have a deputy assistant secretary for Canada, all reporting to an assistant secretary for European and Canadian affairs.

That is the most outrageous example of what seems like a place that could use some streamlining, to use your term. You've also started to address the issue of functionalism versus regionalism or geographic bureaus. My fear is, though, to the extent to which you leave a huge number of the personnel in the regional bureaus and

not serving functional purposes, how are they integrating?

In your testimony you state, the system that is being proposed here, you are creating the new under secretary for global affairs, you are putting the bureaus into lines under different under secretaries, and then you say the system will in turn facilitate access by the assistant secretaries to the seventh floor. I think that is an important and positive change, to assure improved coordination on crosscutting issues. This has been an issue that has bugged me for

a long time.

How do you get the human rights issues, the nonproliferation issues, the environmental issues, the commercial questions that go beyond a particular bilateral relationship into the mix in policy formulation? And can you do it simply by creating this new under secretary's position and a little bit of the restructuring, or do you need to make more fundamental shift of your Foreign Service Officer and technical Civil Service people in terms of allotting them to these regions. In a sense it's almost a billet of numbers or armies and those crosscutting issues can't get heard up at the top if everything is weighted on the sides of the geographic and regional bureaus?

I would like to hear your reaction to that.

Mr. ATWOOD. Well, I think we have gone far in addressing that issue and I would like to give you an explanation. But before I do, I would like to comment on your Canada example. Many of the things, of the structures of the Department—

Mr. BERMAN. This isn't to say that Canada isn't an important

country.

Mr. ATWOOD. No, no, that's right, it's exactly right. Mr. BERMAN. I never met an unimportant country.

Mr. ATWOOD. But the problem is that many of these structures were legislated in the past. I'm not saying that this specific example was legislated, but that is why I like what you are saying about

giving us some flexibility. You may look at a problem today and decide, well, this needs to be codified in legislation because it indicates how important we hold this issue. However, 10 years from now it may look silly and we're stuck with it.

I am sure one day I will come back to you on some of the things that are in the AID legislation in particular on this score. But back

to this question-

Mr. BERMAN. Not my programs, you are not talking about those, are you?

Mr. ATWOOD. Nothing that you've done personally, Mr. Chair-

man, of course not. Some less enlightened colleagues, I guess.

On the question of regional bureaus and the global issues cluster of bureaus, many of these global bureaus existed before, but they

never felt as though they had a home on the seventh floor.

If you had an urgent narcotics issue, where do you go with it? You couldn't get the attention of people. That has been solved I think largely already by the structure that we put in place. Obviously it will be solved a lot better when the under secretary or the counselor, Tim Wirth, is confirmed by the Senate. But already people are communicating among themselves.

So, at the seventh floor level, there is a lot of cross communication among the under secretaries. Tim Wirth comes to meetings every morning with the Secretary of State and we discuss issues.

Mr. BERMAN. In other words, to some extent this will be done

right at the top level?

Mr. ATWOOD. Well, this is one way it's done. I am going to explain other ways it's done. We were discussing Norway's position on whaling questions in the morning meeting the other day and we were discussing a number of other issues involving environmental concerns.

We discussed of course the ship full of Chinese immigrants and what to do with them. A lot of the issues that are discussed of course are in the category of transnational issues. They are issues that have to be dealt with by the international community generally and they are not bilateral issues.

But the Under Secretary for Political Affairs, whose primary concern is bilateral issues, sits there and listens and contributes. We all talk about these issues at that level. In addition of course as the day goes on, we're forcing more meetings to take place between the regional bureaus and the transnational or the global bureaus.

With respect to the interagency process, decisions that are made by the highest levels of government normally are preceded by deputy committee meetings chaired by Sandy Burger, in this case, and the Department is allowed to bring a principal and someone else. Usually it's a regional under secretary along with the person that

represents the issue from the global perspective.

With respect to interagency working groups, which are the way in which these issues are vetted and decided at the inner agency level, once again it depends on the issue. Is it primarily a transnational issue or a global issue, or is it primarily a bilateral issue? That is what determines who chairs these meetings and both sides are represented. So I think that the structure allows us to integrate those concerns better than the structure that existed in the past.

Mr. BERMAN. Ms. Snowe.

Ms. Snowe. Yes, thank you. Mr. Secretary, in looking at the organizational chart, I noticed, speaking of legislative creations, one was the South Asia Bureau in the last Congress. Many of us resisted the development of such a bureau. Why wasn't that proposed to be eliminated since that was newly created, probably has barely gotten off the ground in terms of its structure? Why did you maintain that bureau?

Mr. ATWOOD. Well, we consider it to be a very important part of the world, Ms. Snowe, and I would also suggest to you that its retention related to a span of control issue. If the Middle East Bureau were to reabsorb the South Asian area, which of course is about a dozen countries and hundreds of millions of people, there wouldn't be any doubt about their ability at this moment to handle that as they have in the past.

The question I think relates to where we might go in the future. Is it appropriate, I just raise this as a question and this is a sensitive one obviously, for the central Asian countries to be in the European Bureau or at the present time under a special Ambassador

who is handling the former Soviet Union?

Quite clearly this is a transitory situation and clearly because of the common experience of all the countries, the new countries that were under the former Soviet Union, we should handle it as a transitory matter. But one day we may wish to see those countries, which are largely Muslim, largely have some of the same experiences, as part of a South Asian Bureau.

So I think a lot of that kind of thinking went into the decision to keep it. It wasn't an easy decision, because, as you know, it's a small bureau. If we have the flexibility rather than having these things mandated as it was before, we can make these decisions a lot more easily about how we accommodate these things in the fu-

ture.

Ms. SNOWE. So it may not be there in the future as a separate

bureau?

Mr. ATWOOD. The current plan is to retain it as a separate bureau, to nominate an assistant secretary and to fill that position in accordance with the law. And as I said before, it is a small bureau relatively speaking. It may become a larger bureau, is the point I

am making.

Ms. Snowe. One of the concerns that some of us have had in the past is the traditional, you know, contributions that we make to so many international organizations. And I just wonder, is there any process that requires a review of our contributions to these international organizations and commissions? I don't know if you were familiar with I guess it was a primetime show on one of the commissions.

Mr. ATWOOD, Yes.

Ms. Snowe. And I know that we raised this question in the past about various commissions and organizations to which we belong, we traditionally give a contribution. It seems like there is always an inflation escalator with our contributions. And as I was reviewing some of them here today, out of the 28 on one page, 21 of them have increased.

And it seems to me that if there are other areas, and certainly there are in the State Department, that are exacting some reductions in their budgets, shouldn't we require an examination and re-

view of these, you know, organizations to which we belong?

I realize that we have certain obligations, treaty obligations and so forth, but on the other hand, it seems to me that we just have these customary inflationary increases without any annual review as to whether or not they are doing the kinds of things that meet our goals or are they necessary.

And I certainly was horrified by that report on television that talked about a full-time individual who is working part-time and the kind of money that was expended. And frankly, I didn't think it gave us very good, you know, characterization of the way we

spend our money.

And it is an issue that we have raised consistently and we always hear the same story, well, you know, it's a treaty obligation, therefore we can't do anything about it. But it seems to me we can. We have a right to demand, you know, some fiscal accountability because we're giving the kind of money to these organizations and probably the major contributor.

Mr. ATWOOD. Yes. What you're referring to I guess is this Cana-

dian Border Commission which was on the Primetime-

Ms. Snowe. That's right.

Mr. ATWOOD [continuing]. Television show. And as a matter of fact, it is under review at the present time, I suppose instigated by Primetime. The head of that commission is a position that this administration hadn't filled yet and that of course is an issue. And that is under review.

As a matter of fact, as part of the budget process, these things are reviewed. You mentioned one of the problems is the treaty obligations. That is a factor. The other factor obviously is that many of these organizations have become even more relevant in this sort of transnational world that we live in. I wouldn't want to be held

to that on every one of those.

If you go down your list, you'll see some that you can raise very serious questions about, I know. But these are reviewed as part of

the annual budget process by OMB and by the Department.

Ms. SNOWE. And these increases are justified? I mean that is what I guess I don't understand, as to why we don't raise questions in terms of whether or not, you know, there should be some significant increases. Some of them in most instances are inflation, but obviously the Department isn't going to get an inflationary increase.

And then after, you know, reading Dick Thornburgh's examination in the United Nations' budgetary process, I mean it just gives you pause about how our money is being spent, which has been the traditional concern of this committee. And that is why we have had our payments tied to budgetary reforms at the United Nations.

And I think the same should hold true for these international or-

ganizations and commissions. I mean they are no less important in

that respect, it's taxpayers' money.

Mr. ATWOOD, I agree with you entirely. I am told that the Department reviews the budgets of each of the U.N. organizations and provides guidance on the various budget issues for the U.S. delegations which will be attending the budget meetings of those organizations. I can tell you that we are nonetheless very, very concerned

about the Thornburgh report.

We have been concerned even before the Thornburgh report and the last administration was concerned about it, which was why presumably Dick Thornburgh was asked to go there to do that very important job. He was unable to make a lot of progress for a variety of reasons that are contained in his report. To followup on his work, we have nominated and sent up to the U.N. Melissa Wells, one of our most distinguished senior Ambassadors.

I had a meeting this morning with Madeleine Albright. She's already making progress. Instead of having the third Ambassador at the United Nations assigned to the Security Council, which for the most part our Ambassador does, she wants that person assigned to look at these kinds of budget issues just as Melissa Wells is from

the perspective of the U.N. We must do a better job.

The irony and the dilemma for us is that the U.N. has become much more important to the United States in terms of our national interests. And at the same time, we're more and more concerned about the waste of money and the way that the United Nations

system conducts itself.

We have taken the position that we would like to see an Inspector General's office created at the United Nations. That isn't something that we're going to succeed in doing by mandating by law, but it's an instruction we should give our diplomats to get done through the United Nations system.

So we certainly share the concerns, but it is our obligation I think to try to work to make the United Nations a much more effective system because it's much more in our interest today to do

that.

Ms. SNOWE. Thank you.

Mr. BERMAN. The international organizations and conferences are getting a large increase. Is it fair to say that in the context of your budget work at the level of the new appointees, your review of some of these, our participation in these international organizations, has not, and very understandably so, not yet been completed?

Mr. ATWOOD. Well, that's right. I mean we have only been in office 90 days now, but this is a deep concern that as I indicated before our Ambassador to the United Nations feels and she is undertaking to have one of her ambassadors assigned specifically to this

process

Mr. BERMAN. Mr. Menendez.

Mr. MENENDEZ. Thank you, Mr. Chairman. I want to move on to different questions but just before I do, I left out one statistic that I want to call to your attention, to give you an opportunity for preparation when hopefully we meet. In the senior executive level there

is no Hispanic women whatsoever, which I find appalling.

And the other aspect is I listened to in response to Mr. Faleomavaega's questions, and I applaud and endorse what you were doing with black colleges, however, I failed to hear anything as it relates to those institutions that high numbers, and there are some "Hispanic institutions," which I commend to the Department's attention.

I have three quick questions that probably will have longer answers but within the 5 minutes, I will get my three questions. One is with reference to the closing of posts. What are the guidelines and the priorities assigned to those guidelines that are being considered as you determine where the post closings take place?

Secondly, does the reorganization that we're talking about here within the Department enhance our services abroad in terms of identifying opportunities for U.S. businesses here at home, and if

so, how?

And lastly, as someone who had a constituent who died at the World Trade Center, what is it that we are doing—I read some comments here in your written testimony, but I am not sure that that would have encircled all the issues of those who are alleged to be the perpetrators of the crime at the World Trade Center. What are we doing, and does this budget respond to those types of concerns in a manner that will effectively deal with that type of issue?

Mr. ATWOOD. Thank you, Mr. Menendez. I knew that the issue of closing posts would come up. I had agreed when I was confirmed to wait 30 days before taking any action so that we could talk to Members of Congress, realizing of course that the law that was passed and initiated by this subcommittee indicated that we would have 45 days after notifying the Congress of our intent to close posts.

Let me just say that we're doing this in order to effect savings. The 20 posts that were recommended by the last administration for closure will save the Department and the U.S. taxpayer \$13 million per year for the next several years, and we would use a lot of that money to open the new posts that we have to open as a result of

what has happened in the former Soviet Union.

With respect to the guidelines, the process was that each of the geographic bureaus was asked to identify posts that were less important. All of these posts are important and it's always difficult, as I indicated in my testimony, to take the American flag down. It's

usually seen as a slight to the country.

There are serious questions about whether by closing a post you are going to be able to service American citizens and whether or not you are going to be able to preserve our national security interest. And these concerns were considered in recommending the 20 posts that are to be closed. We may not end up closing all of those posts.

We're in active discussions with people up here. We need to consider these matters very seriously and this is not the last list that we will have to send, because of the budget cuts that were referred to earlier. This is another way that we can make some savings.

We were in 270 posts around the world, to a large extent because of the cold war. We felt if we weren't there, then the Soviets might be there and we had to be there. So we have to make sure that our representation reflects our interest in this era as opposed to the last era.

So that is what we're going through and it is not easy. Even bureaus within the Department that made the recommendations to the last under secretary are now having second thoughts. There are

certainly a lot of people up here that are having second thoughts about it, so this is not easy.

But we don't have any other choice and there are a lot of people up here who would think that we were not operating in good faith

if we went back on our desire to close a lot of these posts.

The second point on reorganization, with respect to enhancing services abroad for business endeavors, we live in a very competitive world and the President has acknowledged that. Part of our structure, the Under Secretary for Economic and Agricultural Affairs is now the Under Secretary for Economic, Business and Agricultural Affairs.

There is an office, a new office created in the Economic Bureau to facilitate business activities overseas. Our Ambassadors have been given guidance that they must actively promote American

business as appropriate overseas.

Other embassies in this town and other places around the world spend 90 percent of their time trying to make sure that their country's businesses are getting ahead in a competitive world. And we are going to be a lot more aggressive in doing this around the

world.

Now with respect to the World Trade Center bombing, the Department obviously is concerned about what has happened. One of the individuals implicated in that bombing was granted an American visa to come into the United States. He was granted that visa in Khartoum, Sudan, at a post which did not have the most modern techniques in terms of this new look-out system that we have which is an automated system wherein a computer provides all of the various ways in which an Arabic name might be spelled.

The automated system is updated on a much more real-time basis than the system that existed in Khartoum at the time. That was an antiquated microfiche system which, if we're lucky, gets updated every couple of months, and sometimes is as long as 6

months.

In this particular case, since we did not have the modern system, the individual was first interviewed by a Foreign Service national employee who saw that the individual had been granted a visa earlier in Cairo and figured, well, he received a visa before, he must be all right. Then he was interviewed by the American consular official. At that point the microfiche was checked, the name was not listed and a mistake was made.

We need to improve that system. We are covering about 59 percent of the world at this juncture with this automated system and we're looking to cover much more of the world with this automated

system. It clearly will help a lot.

We also need to communicate better with the Immigration and Naturalization Service when people come through this country. That is being done under a border security working group and a lot of discussion is under way to create new systems so that we can

help prevent this kind of occurrence in the future.

There is a new visa that is being issued that is much less subject to fraudulent actions. If you took the old visa and you tried to copy it on one of these new color copiers, you could copy it so accurately that no human being could see the difference. So we have gone to these new more secure visa forms. We have money in our budget

this year to increase the number of posts from 45 to an additional

9 where we will be issuing these types of visas.

A number of steps are under way to try to correct the system, but short of shutting everyone out of the country, we're going to have human failures and the best thing we can do, it seems to me, is to continue to work on these systems to make sure that they are perfected. It will take money and it will take time.

Mr. MENENDEZ. Thank you.

Mr. BERMAN. Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Just a couple of quick questions. Mr. Secretary, I notice that our contribution to the international peacekeeping activities run well over \$619 million for the coming fiscal year and I was just curious, does that relate to our resources? Are we just paying the money to give it to other countries that are part of the process in terms of our participation?

Are we actually by our own manpower or are we just paying the money and other countries are providing the manpower and the tanks and all of this is part of the peacekeeping, so we're just-

Mr. ATWOOD. It is a little of both. What most of this is is our contribution, our assessed contribution to the United Nations system. And that is 30.5 percent of the whole. And obviously the demands on the United Nations to be involved in these activities has increased exponentially in the last few years which is why you see this number.

We're looking at a presidential review determination on this whole question of how we fund peacekeeping at the present time and the Defense Department's contribution. They have in the budget this year requested a line item for peacekeeping.

This will I think enable us to better track the actual contribution of the United States under the assessed contribution system. But

we haven't actually completed that review at this point.

Mr. FALEOMAVAEGA. And the \$958 million that were contributed to international organizations, how much of that goes to the United Nations' assessment? Any-are we still in arrears? I think we had in arrears, what, about \$800 million to the United Nations. We're making incremental payments, right, on a yearly basis?

Mr. ATWOOD. We are making incremental payments in order to correct that problem over a 5-year period, Congressman, and we're continuing on that track with the budgets that you have before

Mr. BERMAN. We're paying both this year's dues and either one-

fourth or one-fifth of arrearages.

Mr. FALEOMAVAEGA. How does this compare to other countries and their arrearages? Are they also making proper payment or are we the only country that is keeping our obligations accordingly?

Mr. ATWOOD. I cannot answer that question in detail, Congressman. I can tell you that I'm sure that some other countries, particularly Russia, given what it's going through, has got an arrearages problem, but I think that they have perhaps a better excuse than we have.

Mr. FALEOMAVAEGA. I don't know if this next question fits the picture, but maybe I might ask it anyway, Mr. Secretary. There was a-we were talking about consolidation versus separateness, about some of the functions in the operations of the State Depart-

ment.

It has been suggested that perhaps the two European radio services that we currently provide could come under the USIA. There was also suggestion that perhaps we ought to consolidate some of our public diplomacy efforts under the corporation of public broadcasting.

Has there ever been any consideration of that possibility for consolidation? And I make specific reference actually to Radio Free Asia. Is there any serious movement to establish a system or a program to provide for this as has been discussed and proposed, I be-

lieve?

Mr. ATWOOD. There is again a review underway to look at all of this, to look at the whole question of the Board for International Broadcasting, the two radios in Munich, the Radio Free Europe, Radio Free Liberty, and Radio Free Asia to which the President has committed himself.

And there is a commitment to continue some form of surrogate broadcasting. There is a need, despite the fact that we're no longer in that region of the world and Europe fighting communism per se. There is a need to fill a gap and the gap is created by the transi-

tion to democracy.

The lack of independent media outlets in those countries means that they don't have any other access to objective news and I think that is important to maintain in some form. It doesn't necessarily have to be in the form of the Board of International Broadcasting or in the form that it's in now. But there is an understanding of the need to keep that, at least for a transitional period of time, until these countries can develop their own independent media outlets.

And that is where, on the other hand, we need also to continue funding such things as the International Media Fund and the National Endowment for Democracy, so that they can continue to help these countries develop independent media so that we won't have to have these surrogate radio broadcasts which are very costly.

Mr. FALEOMAVAEGA. But the administration is committed to the

Radio Free Asia concept?

Mr. ATWOOD. Yes, yes, sir.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman.

Mr. BERMAN. Thank you. I recognize Congressman Gilman.

Mr. GILMAN. Thank you, Mr. Chairman. Sorry, I had another commitment. Mr. Secretary, I am not sure which hat you are wearing today, and we again commend you, congratulate you for your new position and look forward to working with you in the new position.

Mr. ATWOOD. Thank you, Mr. Gilman.

Mr. GILMAN. The State Department's reorganization plan folds counterterrorism, narcotics and crime together. Is that going to really place the kind of priority that has to be placed on the narcotics problems or are you downgrading narcotics a bit by folding it into an area that has so many other jurisdictions?

Mr. ATWOOD. Mr. Gilman, that is not our intention at all. In fact it is to enhance our capability to look at all of these interrelated international crime issues and to gain international cooperation in

the fight against narcotics traffickers, in our fight against terrorists and against others who violate international norms.

I think that the integration of these efforts will strengthen the capability and will improve our capacity to get international co-

operation in dealing with these threats to our interests.

Mr. GILMAN. In the past, of course we have been very much concerned about the fractionalization of the response and the jurisdiction over narcotics—it has been widespread over the Congress—and that is why we had a select committee, which unfortunately has now been eliminated.

In the administration, we found that responsibility for the issue was widespread across a number of agencies and not given the attention it deserved. Once again we find that now there seems to be a vacuum in the administration on narcotics policy and then a reorganization proposal folding it in with other areas. We get very much concerned about it all.

Is there a policy being formulated on narcotics, do you know?

Mr. ATWOOD. Congressman, the vacuum that you see is simply a perception, it's not really a fact.

Mr. GILMAN. Well, we would welcome knowing whether there is

some policy being made in that direction.

Mr. ATWOOD. You know why I can say that with great certainty, is because it takes at least 100 days for a vacuum to form.

Mr. GILMAN. Well, the 100 days is up.

Mr. ATWOOD. Not quite.

Mr. GILMAN. I haven't found who is working on policy for narcot-

ics and I have no way of knowing.

Mr. ATWOOD. Well, you are right. In fact we have not selected an assistant secretary for that bureau, but I can assure you when that person is chosen and when we begin the operation of that new bureau, of course with the approval of the Congress, there will be

a strong focus on narcotics issues.

As of now the Narcotics Bureau continues to operate as it was. We need legislation to change that. So nothing has changed in effect. I tell you once again that there is a great commitment to dealing with this problem. We recognize that some of the expenditure of funds in the past have not worked as well as others and that we need to look at the narcotics problem in a much broader way I think perhaps than we did before. The interdiction programs haven't worked as successfully.

Many of the countries that are fighting narcotics traffickers in Latin America in particular are fledgling democracies. We have to continue to do other things to strengthen their democracies and their governmental institutions so that they'll be more successful in fighting these things. Some of the other programs such as crop sub-

stitutions haven't seemed to work as well.

All of that is under review in order to strengthen our ability to deal with the narcotics problem. And we're certainly not downgrading it in any way.

Mr. GILMAN. Who's reviewing that, Mr. Secretary?

Mr. ATWOOD. Who is reviewing it? Well, I can tell you it's being reviewed by an interagency working group at the highest level. The White House, the National Security Council, has put out a PRD on

that issue and it's being studied at the interagency level at this

point.

The person responsible for dealing with this, the under secretary designate, Tim Wirth, has not yet been confirmed. I hope that will happen soon so that he can begin in earnest in getting into this area. Again, the reorganization will bring together those elements of the Department in a way that will enable them to share information on how to deal with people that are involved in these kinds of activities.

Mr. GILMAN. Well, we certainly hope you are right. It still gives us a great deal of concern. Not too much has come forward in the first 4 months of the administration. Just one other thought. This

may have been asked before.

I've been a bit concerned about folding in all of the radios into one broad bureau, and the possible weakening of Radio Free Europe and Radio Liberty, Radio Asia, Radio Marti.

Are you supportive of folding them all into one bureau?

Mr. ATWOOD. Mr. Gilman, as indicated before, there is an ongoing study of how best to do that. I think that we owe it to ourselves, to the American taxpayer, to see how these functions can be done in the most cost effective way possible. Whether it is folding them together or keeping them separate, it's a question of how one finds the cost benefits while maintaining the effectiveness of those efforts.

We do believe in surrogate broadcasting. We know that it has to be done at least for a while longer until some of the countries involved have developed their own independent media outlets, but that is all under study at this point. We should be able to give you

an answer to that fairly soon.

Mr. GILMAN. Mr. Secretary, who is doing the study of that?

Mr. ATWOOD. Again it's an interagency group under the presi-

dential review determination effort that is underway.

Mr. GILMAN. Well, again, we hope that we will see an early report on that so the Congress will have an opportunity to make some input before it becomes a fait accompli.

Mr. ATWOOD. Absolutely. I think there is certainly a commitment

to consult before revealing publicly what the answer is.

Mr. GILMAN. Thank you, Mr. Secretary. And again I wish you well in your new endeavors.

Mr. ATWOOD. Thank you.

Mr. BERMAN. Did I understand you to say in response to Mr. Gilman there is an interagency task force on the radios?

Mr. ATWOOD. Yes, that's right.

Mr. Berman. So that basically we shouldn't assume too much from the initial budget submission, this is all being reviewed, in other words, right now people are running around, screwing around, thinking there is already a decision made about canceling a radio or how you are organizing it, and the fact is this is something that you are coming to a decision on through this interagency process, is that a fair—

Mr. ATWOOD. That is a fair characterization.

Mr. BERMAN. But is it an accurate one?
Mr. ATWOOD. It's an accurate one as well, yes. We could have gone with I suppose the last administration's budget submission,

but we tried in good faith to put together a budget that would re-

flect the foreign policy goals of the administration.

I don't think you would expect, however, that we would stand still on that when there is the possibility of perhaps saving a little money or doing something more effectively. So that is why this is being undertaken.

Mr. BERMAN. Is your new appointment as Director of the USIA,

subject to confirmation, involved in this?

Mr. ATWOOD. I haven't been nominated for USIA, Mr. Chairman, but—

Mr. BERMAN. Not your—your, the administration's, Duffy.

Mr. ATWOOD. Joe Duffy.

Mr. BERMAN. Yes.

Mr. ATWOOD. Yes, Joe Duffy was announced last week, that's right.

Chairman BERMAN. Is he involved in these interagency delibera-

tions or can he be?

Mr. ATWOOD. He is not, he hasn't been confirmed, that's right. Mr. BERMAN. I don't know what that means, but something about not being confirmed, you can't be involved in anything.

Mr. ATWOOD. As a matter of fact, though, the new chairman of the Board of International Broadcasting, the person that used to sit in your chair, Dan Mica, is very much involved in this.

Mr. GILMAN. I remember him.

Mr. BERMAN. I do, I do. It will be interesting to hear his position on the continuation of the Board of International Broadcasting.

Mr. ATWOOD. He apparently was a believer in longevity at one

point himself

Mr. BERMAN. In your response to Ms. Snowe's question regarding the issue of the senior Foreign Service, you stated that every consulate has to be headed by a senior Foreign Service Officer. Why? What truly is the need to have a variety of positions from all these DAS's on down filled by senior Foreign Service Officers. In other words, just because it's happened in the past, doesn't make it nec-

essarily, you know, compelled on the merits.

And I accept that there should be a larger percentage of the work force in this category because of your ambassadorial level—you have a very different situation than you have in the rest of the Federal Government. But it still seems to me like this is an area where some very bright people and sometimes some people not in the Foreign Service can perform certain functions and you don't need to just have people in the senior Foreign Service category performing these functions.

Perhaps the personnel system in the State Department could be challenged head on and questioned as to whether it's necessary to

continue with this approach.

Mr. ATWOOD. Well, I think that is right, I think that we should continue to challenge the approach. And we will. I think this is part of the reinventing government exercise. I didn't mean to suggest that all of these posts are headed by senior Foreign Service Officers. There are some mid-level people right on the borderline that are being asked to take on responsibilities.

One of the people in my own office is going out to Amsterdam to head the consulate there and he is not yet a senior Foreign Service Officer. But I do think that we need to continue to challenge people on these questions. But it is quite a responsibility to take on, to head up a Foreign Service post, to be a chief of mission even

if you're not an ambassador.

The Navy would never send someone under the rank of captain, I am sure, to run a ship, and these are in essence ships. They are not mobile, but you have all of the responsibilities of an American facility in a foreign land. In addition to the people that work for you, you've got all of the possible terrorist threats, you've got your own mission which is either consular or commercial or diplomatic.

It does take a lot of experience and the reason that the senior Foreign Service exists, in addition to the law that was passed in 1980 which created the Service we have today, is that this is a reflection of the people that have gained experience through the ranks and to whom we give our confidence to run these missions.

Mr. BERMAN. Well, I understand that, and I am not sure why an FSO 1 is considered or an FSO 2 is considered below a captain, just

to continue with the analogy. I just raise the issue.

One of the things we're thinking about doing is separating in terms of line items the Foreign Service and the support staff, and rather than just having a salary and expenses budget, breaking it into those two categories. I will throw it out at risk of having my head beaten away, but the question is to what extent has the very understandable and legitimate concern for diplomatic security, spawned a level of bureaucracy in Washington? Within Washington a large bureaucracy has sprung up in the name of diplomatic security that at this particular point could be looked at or evaluated and perhaps pared down somewhat. I throw that question out to you.

I don't know if you've been involved in that exercise at this par-

ticular point, but—

Mr. ATWOOD. Well, it is being looked at. There are serious questions that are being raised as a part of an internal study, for example on the number of field offices that we have all over the country. We have people in field offices that have law enforcement credentials in order to deal with such issues as passport fraud and the like.

We need to determine whether or not we have to maintain that many field offices, as many as 50 around the country. And they are not just security, they do other things as well. But all of this is under review in light of the new circumstances we find ourselves

Just because the Soviet Union collapses of course doesn't mean that we terminate our concern about security. There are many

other threats to our interests. But this is under review.

We did a review last year as I understand it on the construction questions, do we need really to build fortresses everywhere. And a new system that will save the taxpayer a lot of money has been devised that moves back from that concept that all embassies had to look alike and look like fortresses.

When the Inman report came up, it generated a lot of concern. It was done because of the bombing of our Embassy in Beirut and we have had a number of other incidents. But then they started building embassies according to the Inman criteria, and one, I be-

lieve it was in Mogadishu, was blown up even despite the fact that

it had all of the most modern security, physical security.

If we were spending more money, to put on my old hat, to help democratize areas, isn't that providing more security to the American facilities in that country than it would be to put 10-foot thick walls into the embassies? I mean these are all very serious questions.

Mr. BERMAN. In the long-term? Mr. ATWOOD. In the long-term, yes.

Mr. BERMAN. But it takes a while, you are right.

Mr. ATWOOD. But we are looking at these questions and I am concerned about the size of the diplomatic security office as it relates to what happens here in Washington. We have obligations of course to protect people that come to our shores, visiting foreign ministers and prime ministers.

And there are a whole variety of reasons, but that is all under

review.

Mr. BERMAN. Ms. Snowe.

Ms. Snowe. Move on, thank you. Chairman BERMAN. Mr. Gilman.

Mr. GILMAN. No, I can't think of anything.

Mr. BERMAN. Thank you very much, Secretary Atwood. It's good to have you up here in your one and only appearance in this capacity.

Mr. ATWOOD. I think I will be back.

Mr. BERMAN. Yes. No, I said in this capacity.

[Whereupon, at 4:21 p.m., the committee was adjourned.]



## APPENDIX

PREPARED STATEMENT OF HON. HOWARD L. BERMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

I am pleased to call to order this meeting of the Subcommittee on International Operations. Today we will hear from Brian Atwood, Under Secretary of State for Management, who will outline the administration's legislative request for the FY 1994-95 Foreign Relations Authorization Act, and describe Secretary Christopher's

plans for reorganizing the State Department.

The Department has a long history of organizational problems. Centrally at issue is the growing integration of U.S. domestic and international issues. Equally important are questions of whether issues are better dealt with functionally or geographically. The whole trend of the postwar period has been one of integration and functionalism. This is no more than a recognition of the reality that emerging issues, for example environment, migration, hunger, and drug abuse, know no geographic boundaries. State, however, is grounded in concepts of separateness and geography. State's organizational history has also been one of fragmentation, duplication, bureaucratic layering, and increasing top-heaviness. A proliferation of bureaus and of face has in several states and provided the situation works.

fices has in some ways made the situation worse. Functional bureaus now have regional offices, and geographic bureaus have functional offices. Duplication and overlap have been excessive. At the end of the last administration, a total of 48 appointees at State were considered to hold Assistant Secretary rank, or the "equiva-

lent".

In strictly bureaucratic terms, innovation in dealing with transnational portfolios, such as human rights and environment, has been difficult at State, where issues have often been dealt with (or not dealt with) according to whether they arise inside or outside U.S. borders, rather than according to their substance. This kind of bureaucratic thinking limits State's ability to deal with genuinely transnational issues, and drives political leaders to look elsewhere in government to handle them.

I believe that the Department needs to organize the staff to improve two key performance characteristics: responsiveness and relevance. It needs to strip out excess

bureaucratic layers and compartments, so as to speed the flow of its intelligence and analysis "input" into policy formulation. State also needs to restructure itself so as to organize an information flow relevant to decisionmakers who increasingly view issues transnationally. Finally, the Department needs to reform the Foreign Service to provide the staffing necessary to do the work of the 1990's, and beyond

Secretary Christopher has proposed a modest organizational reform package to achieve some of these ends. I look forward to Under Secretary Atwood's testimony

explaining the Secretary's proposals.

# PREPARED STATEMENT OF THE HONORABLE J. BRIAN ATWOOD, UNDER SECRETARY FOR MANAGEMENT, DEPARTMENT OF STATE

### INTRODUCTION

Mr. Chairman, I am pleased to appear before you today to present the Department of State's reorganization plan and defend the Administration's request for \$5.3 billion in the State chapter of the budget as you begin consideration of our authorization bill for fiscal years 1994 and 1995.

I was fortunate to be present when Secretary Christopher appeared before your committee to discuss with you this Administration's approach to the many challenges the Department of State faces in a rapidly changing world. We have already benefited from the exchange you had with him and look forward to continuing this important dialogue.

To save your time, therefore, I am not going to repeat the foreign policy goals we are trying to serve. Instead I want to review our approach to managing the State Department's conduct of foreign affairs, our budget request for FY 1994, and some of the more important features which we hope will be contained in the FY 1994/1995 Foreign Relations Authorization Act which your subcommittee will soon markup.

I hope you will understand why the tasks inherent in the first phases of the transition have prevented us from formally submitting a draft bill. I can assure you however that our proposal has been submitted to OMB where it is receiving the required interagency review. You should have a formal submission soon. Our goal is a bill that both sides of the aisle, can be proud to support; and which will provide us with the management authorities and flexibility, together with the authorized appropriations, we need to do our jobs.

### REORGANIZATION PLAN

As a context for our proposal I would like to review the key points of our Reorganization plan. The plan has three major objectives:

- to create new focal points for foreign policy initiatives, particularly on global issues and in our relations with Russia and the other newly Independent States of the former Soviet Union;
- 2) to improve management and communication by strengthening the role of the five Under Secretaries, giving them line authority over a related set of bureaus, and making them the senior foreign policy advisors to the Secretary and the Deputy Secretary. This system will in turn facilitate access by the Assistant Secretaries to the Seventh Floor and the Secretary and issure improved coordination on cross-cutting issues;

3) to streamline the Department's operations by reducing excessive layering at the Deputy Assistant Secretary level and by requiring fewer clearances.

The reorganization plan emphasizes management principles the Secretary values: openness, flexibility, collegiality, and diversity.

Under Warren Christopher's leadership, the State Department will become more open and attentive to the Congress and the American public. His approach facilitates the sharing of policy views with the rest of the Department and with our posts overseas. Openness also means delegating greater responsibility throughout the ranks of the Department's professional staff, in Washington and the field. We are committed to involving working level and junior officers in the foreign policy process.

We also seek a more collegial atmosphere -- within the Department, with Congress, and in our contacts with the interagency community. This emphasis on collegiality and personal ties is clearly reflected in the President's top cabinet and National Security Council choices -- all are foreign policy professionals who work well together.

Finally, Secretary Christopher wants the Department to reflect the full diversity of America, not only in terms of race and gender, but also in terms of geography and range of experience. I am proud that we are addressing this goal in our appointment process. We must now hire, train and retain more women and minorities, particularly in the mid-to-upper levels of the Foreign Service and Civil Service.

Seen in these terms, the Secretary's reorganization goes beyond wiring diagrams to building a more efficient, flexible and representative Department capable of crafting and implementing President Clinton's foreign policy.

In general terms we have made good progress on the reorganization front. We are eliminating about 24 DAS and DAS-equivalent positions which represents 28 percent of the current total. In addition, 29 Executive Assistants and Executive Directors, who will continue in their positions, will do so without the DAS-equivalent title. We recently submitted reprogramming letters on reorganization to your committee and others informing you of our desire to move ahead with all changes that do not require legislation.

But we now need your help to enact legislation to implement key aspects of our reorganization plan. Your cooperation will be vital in creating the organizational flexibility needed to respond in the future to changing circumstances.

#### ROLE OF THE FOREIGN SERVICE

I believe both the reorganization plan and our appointments demonstrate that Secretary Christopher places a great deal of emphasis and importance on the Foreign Service.

First and foremost, the Foreign Service is an important balance wheel in the foreign policy process. FSOs are the year-in-year-out players in a process that often sees many of its cast of policy-makers change frequently.

Concerns about maintaining the non-partisan role of the Foreign Service led the Secretary to establish an advisory panel -- headed by distinguished esteemed retired diplomats Dick Murphy and George Vest -- to examine the implications of the U.N.-sponsored El Salvador Truth Commission.

The Secretary hopes the panel's findings help ensure that FSO reporting, particularly human rights reporting, is candid and honest and is not molded to fit political concerns. He also wants to ensure we are responsive to Congressional and public inquiries.

In addition to the El Salvador panel, the Secretary wants to make sure that FSOs who loyally serve administrations, whether they be Republican or Democrat, are not unfairly accused of partisanship when they are simply carrying out their duties. We believe it is in the national interest to stop the cycle of political recrimination and help the Foreign Service resist manipulation.

We are fortunate that your committee shares a deep interest and commitment to the health and future of the U.S. Foreign Service which is and should remain a national asset. We look forward to working with you this year and in the years ahead to resolve the problems that do exist, like our need to reduce the size of the most senior ranks without losing the very officers we need to lead efforts to respond to change. Moreover, we must make up for the many years in the past when the State Department simply did not do enough to attract and then retain women and minorities.

#### KFY MANAGEMENT ISSUES

Let me address five key management issues -- the FY-94 budget, the post closing process, information management, consular operations in light of concerns related to the World Trade Center bombing, and I will close by providing some highlights of our proposed 1994/1995 authorization bill.

#### The FY-94 Budget

The Department's FY-94 budget request for the State Chapter is \$5.3 billion, with about \$2.8 billion of this amount going to what is formally known as "administration of foreign affairs" (salaries and expenses, foreign buildings, diplomatic security, etc.).

-- As you can see these operations, which are at the heart of our diplomacy, form a relatively small part of the overall foreign affairs budget of \$21.6 billion that includes AID funding, multilateral development banks, foreign assistance, military assistance, information and exchanges, and other so-called 150 account programs.

Our overall FY-94 request is frozen at FY-93 baseline level, although we have shifted some resources to emphasize our heightened emphasis on multilateral operations, peacekeeping, non-proliferation, environment, population and democratization.

The budget also reflects the administrative cuts required by President Clinton's recent executive orders:

- -- It assumes a \$26 million or 3 percent cut in operating expenses to reduce overhead by 14 percent by 1997.
- It also assumes cutting the equivalent of 390 full time equivalent positions (or FTE) in FY-94 to meet the goal of a 4 percent FTE cut by 1995. This follows the 260 FTE we are cutting this year to begin this process.

Mr. Chairman, despite your much appreciated efforts on the budget committee, we know we must expect continued constrained funding in FY-94 and beyond. Therefore, we are continuing our efforts to redeploy resources from Cold War programs and patterns of representation to new priorities and interests.

Specifically, we have to adjust the size and mix of our overseas posts to reflect new priorities, reduce administrative costs, review security costs, and balance what we spend on Washington support functions with the resources needed overseas.

At the same time, however, we must make some much needed investments in infrastructure and computer systems and focus more attention on training. I also want to thank the committee, members and staff, from both parties, for working with the Department throughout the year on a common, bi-partisan search for courses of action that will work.

In this regard, we hope we have presented our Salaries and Expenses account this year in a manner that portrays better the fact that it includes our major diplomatic and consular programs, and that it provides the backbone for all US

government activities overseas. We have tried to do that in our budget submission and back-up material and will work closely with you to explain the important program-related accomplishments made possible under our Salaries and Expenses Account. We believe, as do you, that a more complete presentation will reveal that this is not merely a large administrative account, it is the indispensable vehicle through which the Department and the other foreign affairs agencies pursue the foreign policy goals of the United States.

#### POST CLOSINGS

As part of the process of realigning State's domestic and overseas structure to meet new challenges and address new priorities, I am close to completing my review of the previous administration's proposal to close 20 posts.

In the post-Cold War era, given modern communications and transportation, as well as changing interests, we must look carefully at each of our approximately 270 embassies and consulates and ask hard questions about whether they are essential to our interests.

Given these new realities, competing priorities and slim resource alternatives, I have reluctantly concluded that we will have to close many more than 20 posts over the next few years. We will also have to open new posts as we have done in the last two years in responding to the dynamic situation in the former Soviet Union and Central and Eastern Europe.

It is never easy to take down the American flag from a foreign outpost. It is a symbol of respect for our international partners. Our foreign posts perform valuable functions in communicating with other countries and helping Americans in need. Yet, we must recognize that the world is changing dramatically. Requirements to be everywhere the Soviets were are no longer valid, and budgets must be reduced and reoriented to address more urgent needs and reduce the deficit.

I believe we can meet the needs of Americans by less costly means. As we consult with concerned members of Congress about these posts we will present less costly options such as the use of consular agents. Meanwhile, I want to thank the subcommittee for its support and understanding during what is a difficult process for all of us.

In addition to closing posts, we need to look much harder at the size and organization of our medium and large posts. I don't just mean the relatively small State Department component at these posts, but also the mushrooming presence of more than 100 agencies overseas.

As Secretary Christopher has said, the test must be the actual contribution made by each post to US national security and the importance of the services provided to American citizens and businesses. Our overseas presence must be fully rationalized in light of the contingencies we face in today's world.

#### PROVIDING CONSULAR SERVICES AND FIGHTING FRAUD

We are reviewing carefully the lessons learned from the circumstances which allowed individuals who might be connected to the World Trade Center bombing to enter the United States.

We are working with other government organizations who share responsibility for border management to improve inter-agency coordination through the Border Security Working Group and the Interagency Border Inspection System (IBIS). The Department of State's Lookout System contains the names, dates and places of birth of aliens found to be ineligible for a visa. It also contains information to identify aliens of interest to the Department and other agencies, for law enforcement and other lawful purposes, which require cable clearance from Washington prior to visa issuance. As other agencies share their data with the Department of State through IBIS, our enhanced lookout system becomes an increasingly effective tool in identifying ineligible aliens.

The process by which we issue improved machine readable visas (MRV) is another automated part of the overall system which we are currently upgrading. One of the key assets of the MRV process is that it allows us to record issuance and refusal data and it performs the namecheck process with much greater certainty. The actual visa issued to the foreign traveller is also much more secure because of the way the visa with its digitized photo I.D. printed into the passport on what is known as a secure visa foil.

Although the MRV offers major improvements in combating visa counterfeiting and photo-substitution, its application requires significant resources.

- MRV is now installed at 45 posts, representing about 50% of the world's visa volume and our request would allow it to be installed at 9 more posts. To be fully effective, MRV should be installed at all visa issuing posts and the readers need to be installed and used at all ports of entry.
- In addition to initial installation costs, the \$21 million provided to date for the MRV program also includes the cost of system research and development, enhancements, maintenance of existing hardware and procurement of related supplies. As the number of posts increases, these maintenance expenses will result in a reduction in the funds available for new installations each year.

Finally I would like to address a related issue which I know is of great interest to the Congress: that is the extent to which the entire MRV process — including how it is used at entry and exit points by INS — can be used to control the flow of illegal immigration to the U.S. It helps, but it is not, in and of itself, a panacea. For example, it cannot stop the illegal entry of those who evade border controls or destroy their documents prior to arrival in the United States.

Moreover, while the machine readable visa issued at our posts overseas facilitates the recording of basic applicant data by INS at the port of entry, it does not track people. If INS were to read visas when aliens depart the country, the MRV would facilitate collection of this additional data and a record of both entry and exit could be electronically maintained. But the Congress would also have to consider what the U.S.G. would do with this information and at what cost.

#### INFORMATION MANAGEMENT

Wang's recent Chapter 11 filing, combined with an aging inventory of equipment, and our declining investment in computer equipment over the years, makes even more urgent our need to overhaul our information management program.

We have about \$300 million worth of installed hardware and \$200 million worth of software that we must move to a new "open architecture." We have begun a plan to move steadily away from out of date, proprietary systems over the next seven years. Among other steps, this involves setting up conversion centers in Washington, Paris and Bangkok which will take the lead in this effort.

Unless we are able to make these investments, the Department will not be able to provide timely consular services; we will continue to lack vital management information systems; and our posts will simply be unable to contend with information overload.

#### THE 1994/95 AUTHORIZATION BILL

We want to work with your committee to perfect and pass the 1994/1995 Foreign Relations Authorization Act. This legislation contains many features we need to meet our evolving responsibilities during what will surely be a period of tight budgets.

Besides authorizing the funding we need -- and I cannot exaggerate the importance of our getting adequate resources in what we know will be a tight budget year -- the bill we hope to get to you within the next few weeks will contain a number of provisions of great importance to the Department and to the American people. For example, we hope the bill will:

- implement the Department's reorganization plan by providing the Secretary with the flexibility needed to match the Department's structure and practices to the requirements of a rapidly changing world.
- -- Repeal provisions placing authorities and responsibilities in particular bureaus and vest them instead in the Secretary of State.
- Allow the President to appoint a fixed number of Under Secretaries and Assistant Secretaries of State without designating their titles.

This would enable the Secretary to meet both current and future organizational needs, by creating and consolidating bureaus and offices while creating incentives to streamline decision-making at State. These authorities would be exercised in consultation with Congress through current reprogramming procedures.

We also will seek to clarify the authority of our Foreign Service Institute to provide training to officials from nations emerging from years of totalitarian rule as a part of democratization programs funded by other agencies. This training will focus on the skills and attitudes necessary to make foreign policy and conduct diplomacy in the modern world and with the openness required of a democracy. It will help the United States establish long-term contacts which can be of mutual benefit for years.

We will not be seeking funds for such training. All we seek is to ensure there are no legal impediments to FSI's providing such training when that makes sense, so long as they can provide this training without it's interfering with FSI's prime goal of training American officials for service overseas. We have already conducted one small pilot program for Albanian and Bulgarian officials, under a contract with AID, which has been praised by all concerned, including President Berisha of Albania.

Incidentally, we would like to invite all of you to visit the new training campus at Arlington Hall which is nearing completion. You will be proud of how these tax dollars have been spent, and you will be impressed with how our team at FSI is using this wonderful opportunity to enhance our overall

Finally, we would like to work with you, in cooperation with OMB, OPM, and other committees on ideas that could help the Department to implement Presidentially mandated 4 percent personnel reductions by encouraging eligible employees to retire within a specific timetable.

#### CONCLUSION:

Let me assure you that I will work as hard as I can to move towards these goals while I have the privilege of serving as Under Secretary of State for Management, and I will maintain an interest in these issues should I be confirmed as Director of AID. I would now be please to answer your questions.

FOREIGN SERVICE

RECR



U.S. DEPARTMENT OF STATE

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## American Workforce Changes

The economic, social, and technological landscape for the 1990's is changing dramatically. With competition from the private sector and a slower growing U.S. workforce, the Foreign Service and Department of State will be challenged to enrich its environment with a diverse workforce. We must put a progressive program in place to recruit, advance, and retain a productive labor force responsive to the following considerations:

Changing Skill Needs

Minority Workers

Female Workers

Disabled Workers

Older Workers

Better Educated Workers

Technological Advances

**Dual Careers** 

Mobility

Workplace Flexibility

Diverse Lifestyles

## **Workforce Demographics**

Changes between now and the year 2000

Two-thirds of new entrants into the workforce between now and the year 2000 will be women.

Some 6 million new Hispanic workers will enter the workforce.

Blacks will represent 17% of the growth in the labor pool.

Technology will increase opportunities for the disabled.

2

## Reaching For The Future

As we approach the year 2000, the Department of State's standing in the world will depend upon our competitiveness, our ability to adapt to enormous changes in our mission and functions, and our success in shaping our future role in foreign affairs. We must ensure the high caliber of employees and recruit people with the skills and competencies that can deal with the demands of the coming decade, for instance economics, trade, science, technology, the environment, administration and management. We must represent our citizenry in our transition and create an institutional culture that will draw upon the unique contribution of each person in the workforce.

## Foreign Affairs 2000

As the United States redefines its leadership in the new world order, it will rely upon the Foreign Service and the Department of State to help achieve its goals. One of the main objectives of the Foreign Service in the 1990's will be to help other nations translate democratic ideals into viable political and economic systems.

Our strength is in our people who come from a multitude of cultures to form the richest and most dynamic society in the world. We need to tap the full range of resources in American society to meet the new challenges of international diplomacy.

The future workforce of the Foreign Service and the Department of State will be different than it is today. We cannot predict it, but we can help create it. The Foreign Service and State Department attract over 20,000 applicants annually for diplomatic and civil service careers. Our challenge is to bring in dedicated men and women who represent every part of American society. The following vision, goal, objectives, and strategic action plans will lay the foundation for acquiring the diverse talent we need to maintain our competitive edge in the international labor market.

## Vision

To represent America in world affairs with citizens who reflect the diversity and excellence of our society.

## Goal

To recruit the talent we need for a diverse Foreign Service and Department of State now and in the year 2000.

## **Objectives**

Create a focused recruitment strategy that reflects workforce and affirmative action planning in order to diversify the candidate pool;

Establish a presence in and develop continuing relations with institutions that meet our skill and diversity needs;

Build partnerships with professional, educational, and community organizations that will help meet our diversity needs;

Coordinate the Department's total recruitment activities to make best use of scarce resources;

Design and implement a contemporary, targeted marketing campaign;

Strengthen the educational pipeline by expanding participation in student employment/intern programs;

Continue participation in the Foreign Affairs Fellows scholarship program;

Train a cadre of recruiters and student interns for campus outreach;

Develop automated information, tracking, and reporting systems;

Establish a strong evaluation component to assess program results and returnon-investment.

## **Partners**

## For Progress

The Department will need to identify all partners who can help our recruitment efforts progress and work with them to obtain their support and involvement in implementing the strategic plan. They include:

Top Management Current Foreign and Civil Service Employees Retired Foreign Service Personnel Diplomats in Residence / Pearson Fellows American Foreign Service Association Cox Foundation United Nations Organizations Other Foreign Affairs Agencies Other Federal Agencies Foreign Service Posts Minority Constituency Organizations **Educational and Professional Organizations** Foreign Service Candidates Students / Interns Colleges / Universities High Schools

## Recruitment Program

## The Challenge

There are several components for designing and implementing a successful recruitment program. Top management involvement is the most critical, with workforce analysis and planning coming in second. Recruitment and retention of a quality and representative workforce is vital and must be an integral part of the total program and human resource planning process if it is to be implemented successfully. The components critical to the State Department's success in recruiting include:

Top management support

Workforce analysis and planning

Targeted recruitment methods, sources, and strategies

**Partnerships** 

Student and intern programs

Bureau support and coordination

Marketing

Training and development

Automation/evaluation

## Top Management

## Support

Top management must ensure that an effective recruitment program is implemented and periodically evaluated. The management team must set the tone, policy, objectives, and structure for an effective recruitment program. They must commit adequate staff and budget to accomplish program objectives.

American foreign policy must be rooted in the values and aspirations of the entire society, not just a part of it. To accomplish this, diversity among those who develop and implement policy is essential.

Our diplomatic representatives abroad reflect American values every day, formally and informally. Equal opportunity is a core value, and those who espouse it overseas should be a living example that Americans believe in this principle.

The leadership should challenge all bureau managers to become involved in attracting a new generation of diplomats into careers in the Foreign Service and top quality talent into the Civil Service of the Department of State. And they must hold managers accountable for meeting our human resource, skill, and equal opportunity objectives so that the Department can take full advantage of the diversity of America's workforce.

### Management Involvement

The most successful approach to recruiting is an integrated team that includes management, supervisors, technical staff, human resource specialists, and equal employment opportunity specialists.

Senior executives, line managers, and Foreign Service officers can become involved daily by advocating the importance of recruiting a diverse workforce into the Department of State. In addition, they can work with the Office of Recruitment by:

serving as recruitment representatives on campus;

staying in touch with campus administrators and faculty on State Department activities;

ensuring that representatives visiting campuses are prepared, briefed, and trained;

providing schools with speakers, lecturers, and presenters on world events, serving as role models to students in the classroom;

participating in major job fairs and career days;

marketing careers in the Foreign Service and State Department to all interested candidates;

networking with leaders of diverse professional and community organizations; and

providing challenging work assignments and a supportive work environment to new hires, students, and interns who will represent the State Department to future candidates.

### Recruitment's Role

The Office of Recruitment (REC), in Recruitment, Examination, and Employment (REE) of the Bureau of Personnel (PER) will provide leadership and program direction for affirmative recruitment programs. This office:

plans, develops, implements, administers, and evaluates a centralized recruitment program;

manages student employment, intern, and scholarship programs;

recruits for Foreign Service and for shortage Civil Service positions based on hiring needs;

coordinates campus and college relations programs and works closely with Diplomats in Residence and Pearson Fellows;

identifies and develops effective recruiting sources;

develops partnerships with national professional, educational, constituency, community groups, and other candidate sources;

organizes and participates in job fairs and career days;

sponsors a speakers bureau and works closely with Office of Public Affairs (PA) and AFSA on speakers they send to colleges and universities who can recruit;

consults with bureaus and assists them in developing recruitment plans which address their specific needs;

determines innovative marketing approaches; and

responds to inquiries and disseminates career information.

### Bureaus' Role

It is essential that bureaus share responsibility for recruitment. Their responsibilities include:

conducting workforce analysis, designing, implementing, monitoring, and evaluating a recruitment plan linked to their bureaus' mission;

involving management directly in the recruitment program by keeping them informed of recruitment program needs/results and by ensuring their commitment to program objectives;

committing adequate money, people and time to the recruitment program;

bringing line managers and supervisors into recruitment activities;

selecting training, and developing bureau recruiters;

participating actively in student employment and intern programs and providing substantive developmental assignments to students;

supporting REE in identifying and developing effective recruiting sources;

recruiting women, minorities, and people with disablities; and

forwarding applications of talented candidates not hired by one bureau for consideration by others.

## **Workforce Analysis**

## **And Planning**

Adequate human resources planning is central to the effectiveness of any recruiting effort. Long term (1-5 years) workforce planning must be an integral part of our human resources, EEO, budget, and program planning efforts.

PER, FMP, EEOCR, FSI, and the Bureaus should work together to design a management system of workforce analysis and planning that is integrated with other program planning processes so that we can identify future staff resource requirements and methods by which they will be met. The management team also needs to determine future programs, what skills and abilities will be required and how to get from here to there, e.g., recruitment, EEO, training, contracting, etc.; the available labor market both internally and externally; and how much it will cost.

Using workforce analysis and planning as our primary tool, we can determine the action items and program direction changes needed that will ensure the future attainment of a quality and diverse workforce. We can ensure that workforce projections are tied to the Department's goals and foreign affairs strategic plans.

## **Critical Components**

### For Recruiting Success

#### Targeted Recruitment Methods, Sources, and Strategies

Based upon effective workforce planning, the next step is to determine the recruitment methods that will best meet the State Department's needs. The method will be based on skill levels, available internal and external labor market, recruitment budget, projected costs, and affirmative action recruiting objectives. External recruitment sources and strategies are many and vary according to the recruitment method selected. Internal recruitment is also essential to creating employee career opportunities within and between bureaus. It strengthens our ability to retain and reward the talent we have recruited and developed and increases employee morale and retention.

#### **Partnerships**

Partnerships are important to the recruitment of a quality and diverse workforce. The State Department must identify and forge stronger partnerships with targeted educational institutions, constituency and community groups, national professional associations, nonprofit organizations, other Federal agencies, and the community to enable us to more effectively recruit, develop, and retain a quality workforce. Involvement in partnerships requires the commitment of resources, both fiscal and human.

#### Student and Intern Programs

A stronger connection needs to be established between college recruitment and student employment/intern programs. The purposes of both are to identify and attract potential career professionals and they possess the same contacts, strategies, and successes. The Department needs to make greater use of the entire array of Federal student employment programs—Cooperative Education (Co-op), Stay-in-School. Federal Junior Fellows, Student Volunteers, and Summer Employment—to give greater attention to "growing our own" employees. Additional enhancements need to be made in the State Intern program and the Foreign Affairs Fellows scholarship program needs to be continued. These programs provide quality, motivated students who can meet our future skill needs and serve as an excellent conduit for minorities and women. They could be a proven pipeline for qualified employees who want to make careers in the Foreign Service and at the State Department.

## **Critical Components**

### For Recruiting Success

#### **Bureau Support and Coordination**

The Department is committed to developing flexible and effective recruitment strategies for attracting minorities and women. We need the support of Bureau top management, executive directors, personnel, and EEO officials. The Director General must obtain their active involvement in recruitment from the onset of this strategic plan. This collaboration and sharing of resources will make good business sense for the Department in light of diminishing resources and a competitive labor market.

#### Marketing

Marketing is critical to the success of the recruitment program. The role of marketing is to ensure a continuous pipeline of quality and diverse applicants who will take the Foreign Service exam or be considered for Foreign Service Specialist and Civil Service occupations. Positive, slick, and sophisticated recruiting materials need to be created to provide information about career and advancement opportunities with the Foreign Service and the State Department. Advertising can generate substantial responses from a targeted audience and create a favorable impression of the Department. The goal is to attain positive recognition and boost recruiting efforts.

#### Training and Development of Recruiters

The selection of recruiters, defined as anyone representing the State Department to the public to market career opportunities, is critical. They should project a positive image of the State Department and Foreign Service. They must be knowledgeable, enthusiastic, and have a good attitude toward the Department. Training programs and professional development opportunities on recruitment which are designed to prepare recruiters to perform effectively are essential.

#### Evaluation

Changes predicted in the composition and capabilities of the American talent pool will create competitive challenges for the Department. Therefore, we must continually evaluate and improve our recruitment programs. We need to develop a comprehensive automated database for program evaluation, trend and statistical analysis, and assessment of the applicant pool. The Department must assess the overall results of our recruitment strategy compared to the program objectives.

As Requested in Financial Plan

# Strategic Action Plan Recruitment 1993

Action Steps (In priority order)	Target Date	Projected Cost
Obtain involvement of senior management in recruiting	1/93	0
Concentrate recruiting and publicity efforts on a targeted consortium of schools and graduate programs that will yield the minority candidates we need (see Tab B). Visits will be intense with at least two recruiters spending several days on each campus at least twice a year to recruit. Send Diplomats in Residence to targeted schools and publicize the visits with ads in college papers.	FY-93	\$125,000
Establish a Co-op in Residence Program on campuses to educate minority students about Foreign Service (FS) career opportunities. This includes the salary for (1) co-op student and travel between State and school.		\$20,000
Develop relations with key minority professional, educational and community organizations, Peace Corps and Armed Services for entry and mid-level recruiting; participate in career fairs/exhibits on campuses and in conferences across the nation. (see Tab C)	5/93	\$25,000
Design contemporary recruiting brochures, posters and videos and implement a targeted minority advertising campaign to publicize careers in professional minority journals and publications.		\$150,000
Tap into OPM's Career America job line to provide information on FS careers and to disseminate exam announcements booklets	11/93	\$30,000
Continue current Foreign Affairs Fellowship scholarship efforts (already approved)	12/93	\$572,000
Invite faculty and placement directors to observe FS oral assessments	4/93	0
Make greater use of Co-op, Stay in School, Federal Junior Fel- lows, and Volunteers to attract students to State earlier in their academic career		Bureau funded
Conduct periodic Recruitment Council meetings to work on re- cruitment issues	7/93	0
Sign partnership agreements with Hispanic Association of Colleges and Universities (HACU) and National Association for Equal Opportunities in Higher Education (NAFEO - HBCU's)		0

Total: \$922,000



## Recruitment 1994

Action Step	Target Date	<b>Projected Cost</b>
••••••	• • • • • • • • • •	• • • • • • • • • • •
Sponsor a DG conference to address diversity issues, such as recruitment, training, and retention	1/94	\$50,000
Concentrate recruiting efforts on a targeted consortium of schools and graduate programs that will yield the minority candidates we need (see Tab B)	2/94	\$125,000
Continue relations with key minority professional, educational and community organizations; participate in career fairs/exhibits (see $Tab\ C$ )	3/94	\$25,000
Analyze and develop a 5-year workforce plan	4/94	0
Establish a Visiting Foreign Fellows Program (50 Fellows)	5/94	\$60,000
Enhance the Intern Program to become a "pipeline" for careers in the State Department; establish a career development component	6/94	\$60,000
Convert outstanding interns into Co-op or Stay in School appointments	7/94	Bureau-funded
Develop a cadre of student representatives on campus from current pool of interns	8/94	0
Develop and conduct a one-day minority recruitment workshop for State recruiters	9/94	\$80,000
Prepare and distribute a newsletter to partners to increase communication with colleges and universities	10/94	\$1,000
Make bureau personnel aware of recruiting and professional development opportunities	10/94	\$300
Develop a guide of student employment/intern/career entry programs for managers	11/94	0
Continue targeted marketing plan and minority ad campaign	12/94	\$125,000
Continue  current  For eign  Affairs  Fellowship  scholarship  efforts	12/94	\$725,000

Total: \$1.3million

## Recruitment 1995

<b>Action Step</b>	Target Date	Projected Cost
•••••	•••••••	•••••
Build automated database on recruitment and candidate sources	1/95	\$30,000
Concentrate recruiting efforts on a targeted consortium of schools and graduate programs that will yield the minority candidates we need (see Tab B)	2/95	\$125,000
Continue relations with key minority professional, educational and community organizations; participate in career fairs/exhibits		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
(see Tab C)	3/95	\$25,000
Continue targeted marketing plan and minority ad campaign	4/95	\$125,000
Establish stronger relations with model U.N. Program and high schools to prepare early on for FS career	5/95	\$60,000
Develop an orientation guide for supervisors on their responsibilities when employing students	6/95	\$3,000
Host an annual workshop for placement officials from target schools (30 officials)	7/95	\$50,000
Encourage CS candidates with interest in FS careers to prepare for exam	8/95	0
Communicate alternative employment strategies to unsuccessful test takers for public service careers	9/95	\$1.000
Rotate interns into other bureaus in State for broader exposure	10/95	0
Market FS careers in key newspapers in minority colleges;		
profile minority FSO alumni in college papers	10/95	\$60.000
Activate an Exchange Program between Faculty and the Department (IPA)	11/95	\$60.000
Conduct a minority recruitment workshop sponsored by College Placement Council	12/95	\$5.000
Continue current Foreign Affairs Fellowship scholarship efforts	12/95	\$850.000
		Total: \$1.4 million

## Recruitment 1996

<b>Action Step</b>	Target Date	<b>Projected Cost</b>
•••••••	• • • • • • • • • •	• • • • • • • • • • •
Use PARs to obtain FSO profile for marketing/recruitment effons	2/96	\$1,000
Concentrate recruiting efforts on a targeted consortium of schools and graduate programs that will yield the minority candidates we need ( $see\ Tab\ B$ )	4/96	\$125.000
Continue relations with key minority professional, educational and community organizations; participate in career fairs/exhibits (see Tab C)	6/96	\$25,000
Pay tuition, book, travel and housing allowances to outstanding students/interns, based on financial need	7/96	\$50,000
Seek PA's support on writing articles for publication in newslet- ters and journals; write articles on outstanding minority interns for hometown papers	8/96	\$50,000
Tap into national minority scholarship and ETS/SAT/GRE/ACT databases and send FS Career Information early on	9/96	\$10,000
Develop professional recruiter and media kits	10/96	\$50.000
Develop and send State rolodex cards to colleges and universities about career opportunities with State	11/96	\$5,000
Continue targeted marketing plan and minority ad campaign	12/96	\$125,000
$Continue\ current\ For eign\ Affairs\ Fellowship\ scholarship\ efforts$	12/96	\$900.000
		Total \$1.2 million

## Recruitment 1997

Action Step	Target Date	Projected Cost
• • • • • • • • • • • • • • • • • • • •	• • • • • • • • • •	• • • • • • • • • • • • •
Develop an automated inventory of university students and FS exam takers for tracking and reedback purposes	2/97	\$20,000
Concentrate recruiting efforts on a targeted consortium of schools and graduate programs that will yield the minority candidates we need ( $sec\ Tab\ B$ )	4/97	\$100.000
Continue relations with key minority professional, educational and community organizations; participate in career fairs/exhibits (see Tab C)	5/97	¢25,000
Advertise in campus publications and newspapers; provide direct mailings and career information to schools	6/97	\$25,000 \$80,000
Compile and disseminate an Annual Report on Recruitment and Student Employment accomplishments	8/97	\$5,000
Compile and disseminate a survey of FSOs to determine why FS was selected as a career choice	9/97	\$5.000
Establish a high school and community outreach program; identify educational curriculum; and inform students early on about FS careers	10/97	\$100,000
Establish a computerized job information and student employment database and communicate to schools electronically	10/97	\$50,000
Develop an evaluation component on all recruitment activities to determine effectiveness	11/97	0
Develop a database necessary for program evaluation, trend analysis, and evaluation of applicant pool	11/97	0
Continue targeted marketing plan and minority ad campaign	12/97	\$125,000
$Continue\ current\ Foreign\ Affairs\ Fellowship\ scholarship\ efforts$	12/97	\$965,000
		Total: \$1.5 million

## Summary

Our strength is in our people and their ability to cooperate in the face of constant change -technical and global.

### **Recruitment Strategies**

#### Consortium Schools -

Represent 25 schools with high minority enrollment and a history of test takers and passers. Concentrated recruiting efforts at the consortium will obtain a better response. Recruiting techniques include:

Personal visits to campus by REC staff and FSOs to establish a strong presence

Meetings and workshops with faculty, deans, administrators, placement officials, minority student affairs coordinators, minority student leaders, and groups

Classroom presentations and information sessions at undergraduate and graduate programs

Paid advertising and articles in campus publications

Interviews with campus media - FSO alumni and student interns

Utilize Diplomats in Residence, Co-ops in Residence and other student appointees

Direct mailings to students and campus networks identified above

#### Top 15 Schools -

Represent our traditional successful schools with minority test passers. Recruiting techniques include:

Visits to campus by FSOs and Diplomats in Residence

Coordinate career information sessions with placement offices

Direct mailings to placement officials, minority organizations, and graduate school staff to publicize career opportunities

#### Consortium Schools

	STUDENT POPULATIONS			MINORITY TOTALS		
	%African American	% Native American	%Hispanic American	% Asian American	% Minority	No. of Passers
Cal. State Long Beach	6	1	12	20	39	1
Carnegie Mellon	5	1	3	23	32	2
Clark Atlanta (HBCU)	99	0	0	0	99	0
Corpus Christi State (HACU)	0	0	30	0	30	i
FL International U. (HACU)	10	1	43	3	57	3
Howard Univ. (HBCU)	80	0	1	1	82	2
Johnson C. Smith U. (HBCU)	100	0	0	0	100	0
Lincoln Univ. (HBCU)	94	0	1	1	96	0
New Mexico State (HACU)	2	3	29	1	35	1
New York Univ.	8	1	8	17	34	1
Northeastern State (Okla.)	8	17	i	0	26	0
Southern U. (HBCU)	96	1	1	2	100	0
Spelman College (HBCU)	98	0	0	0	98	1
St. Mary's Univ. (HACU)	5	1	55	3	64	1
SUNY Binghamton	6	1	5	9	21	2
Texas A & I (HACU)	4	1	64	1	70	0
Texas Southern U. (HBCU)	73	1	4	2	80	0
Univ. of Cal., Davis	4	1	9	23	37	3
Univ of Cal., Irvine	3	1	10	40	54	2
U. of Cal., San Diego (HACU)	3	1	10	21	35	1
Univ of Chicago	4	1	3	19	27	1
Univ. of Maryland	11	- 1	3	10	25	3
Univ of Michigan	7	1	4	9	21	3
Univ of New Mexico (HACU)	2	4	24	2	32	3
Univ of Texas, Austin (HACU	) 4	1	13	8	26	4

### Consortium Schools

## Minority Statistics

African American (H	HBCU)		Hispanic American (	HACU)	
	% Envollment	# of Passers	•	% Enrollment	# of Passers
Johnson C. Smith	100	0	Texas A & I	64	0
Clark Atlanta	99	0	St. Mary's U. (San Antonio)	55	1
Spelman College	98	1	FL International University	43	3
Southern U. (Baton Rouge) Lincoln University	96 94	0	. Corpus Christi State	30	1
Howard University	90	2	New Mexico State*	29	i
Texas Southern University	73	0	University of New Mexico*	24	3
Native American			Asian American		
	% Enrollment	# of Passers	•	% Enrollment	# of Passers
Northeastern State (Okla)	17	0	Univ. of Cal., Irvine	40	2
Univ. of New Mexico*	4	3	Univ. of Cal., Davis	23	3
New Mexico State*	3	1	Univ. of Cal., San Diego	21	1
The state of the s			Univ. of Chicago	19	1
			•		

#### High Total Minority Enrollment

	% Minority	# of Passers
Cal. State Long Beach	39	1
New York University	34	1
Univ. of Maryland	25	3
Camegie Mellon	32	2
Univ. of Michigan	21	3
Univ. of Texas, Austin	26	4
SUNY Binghamton	21	2

## Top 15 Schools High Minority Enrollment and Pass Rate

	% African American	% Native American	% Hispanio American	% Asian American	% Total	# Minority Passets
Georgetown	8	1	4	10	23	18
Harvard	8	1	7	19	35	14
Univ. of Cal., Berkeley	7	1	15	30	53	12
Columbia	9	1	9	16	35	12
Virginia	12	0	1	8	21	9
Yale	7	1	5	14	27	8
Stanford	8	1	10	20	39	7
Univ. of Pennsylvania	6	1	4	14	25	7
U.C.L.A.	6	1	17	32	56	6
U.S.C.	6	1	10	20	37	5
Johns Hopkins	6	1	3	17	27	4
Thunderbird	1	0	8	15	24	4
Princeton	7	1	5	10	23	4
George Washington U.	6	1	4	8	19	4
Tufts	4	0	4	9	17	4

American Economic Association

American Association of Higher Education (Minority Caucuses)

American Association of Nurse Practitioners

American Association of University Women (AAUW)

American Indian Science and Engineering Society (AISES)

American Society for Public Administration (ASPA)/Conference of Minority Public Administrators (COMPA)

Association of Professional Schools of International Affairs (APSIA)
(Minority Affairs Steering Committee)

Association on Handicapped Student Service Programs in Post-secondary Education (AHSSPPE)

Black Professionals in International Affairs (BPIA)

College Placement Council (CPC)

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Cooperative Education Association (CEA)

Council of Graduate Schools (CGS) - (Minority Affairs Committee)

Federal Asian Pacific American Conference (FAPAC)

Hispanic Association of Colleges and Universities (HACU)

National Association for Equal Opportunity in Higher Education (NAFEO) (Historically Black Colleges and Universities)

National Association of Student Employment Administrators (NASEA)

National Association of Schools of Public Affairs and Administration

Professional Secretaries International (PSI)

Trans Africa

# MARKUP OF H.R. —, TO AUTHORIZE APPROPRIATIONS FOR FISCAL YEARS 1994 AND 1995 FOR THE DEPARTMENT OF STATE, AND FOR OTHER PURPOSES

# WEDNESDAY, MAY 26, 1993

House of Representatives,
Committee on Foreign Affairs,
Subcommittee on International Operations,
Washington, DC.

The subcommittee met, pursuant to call, at 1:30 p.m. in room 2200, Rayburn House Office Building, Hon. Howard L. Berman (chairman of the subcommittee) presiding.

Mr. BERMAN. We will call the subcommittee on International Op-

erations to order.

It is the Chair's intent to wait a few more minutes until our ranking Member, Ms. Snowe, comes. She is having a press conference now with the minority leader on the reconciliation process

and will be coming here as soon as that is completed.

Perhaps in the meantime, though, I might just point out to my colleagues and to the people in the audience and staff, we have a very distinguished group of visitors with us this afternoon. They are seeing some of the clearest aspects of the Democrat process, how slowly it moves.

The group is a distinguished delegation of Ukrainian parliamentarians who have been brought here in conjunction with the U.S.-Ukraine Foundation and the U.S. Information Agency. They are led by the First Deputy Chairman of the parliament there,

Bosio Durenyetz.

It is a pleasure to have you with us. We hope nothing that happens here will discourage you in your own efforts.

[Discussion off the record.]

Mr. BERMAN. We will reconvene the Subcommittee on International Operations. We certainly have set an attendance record today.

The purpose of this meeting is to mark up legislation for the Department of State and related agencies for the fiscal years 1994

and 1995.

You will all find copies of a draft bill from which we will work. A copy of the administration's request is also included in each folder and a spreadsheet summarizing the proposed authorization levels.

I would think the key element to this bill is our effort to try and provide the State Department, in particular, with a tremendously

enhanced level of organizational flexibility. I think if this were to pass, it will provide them with a level of flexibility, organizational flexibility, that is almost unparalleled in the Federal Government.

We, of course, at the same time, for a variety of different reasons—but mostly related to the fiscal constraints under which we are operating—are going to be making cuts in some of the monies authorized for salaries and expenses. We think it is an appropriate corollary of those cuts to give the Department the flexibility to manage more limited resources the best way they can.

With rare exceptions, the bill will repeal all statutory micromanagerial provisions which preserve existing positions and

organizations at State.

In addition, the legislation contains a bill that I have separately authored, referred to as the Free Trade in Ideas Act, which will be dramatically changed by virtue of an en bloc amendment which I will be offering as well as a serious legislative proposal to enhance and strengthen the Arms Control and Disarmament Agency, called the ACDA Revitalization Act.

Neither of these provisions was requested by the administration, but both are important policy initiatives, I think, long overdue. ACDA has played a vital role in pursuit of important national ob-

jectives in arms control and disarmament.

With the end of the cold war, ACDA's mission is no less important. We must assure that the major arms control agreements of the past 5 years are implemented, even as we refocus our efforts to deal with the challenge of conventional and unconventional

weapons proliferation.

The ACDA Revitalization Act is virtually identical in substance to H.R. 2155, which Congressman Lantos and I introduced last week. This bill that I refer to will be marked up by his subcommittee immediately after our return from the Memorial Day break. And we will be able to address the issue again in the full committee.

The draft bill also contains an additional provision providing for full funding for the U.S. contribution to UNESCO. This is not at the request of the administration; however, the administration has an interagency task force that is now examining that very issue.

Needless to say, the authorization depends—and the only logic of the authorization is if it follows a decision by the administration

to reaffiliate with UNESCO.

Let me talk for a second about the budget. We adhered in this authorization bill to the limitations and assumptions of the recently passed budget resolution. Notwithstanding the fact that this is the authorization process and that budget legislation affects appropriations not authorization bills, we thought it important, and Chairman Hamilton has indicated his desire, that the authorizing committees apply the same levels of discipline and restraint required by that budget resolution to the Appropriations Committees, forcing us to make tough choices.

This bill, by its provisions, would constrain the Foreign Service bureaucracy in the one area in which abuses have become egregious, personnel; the Senior Foreign Service is now growing to historic highs, out of all proportion to genuine need; AID and USIA have similar problems. State's Washington bureaucracy has ex-

ploded in the last decade. The bill seeks to halt and reverse this possess. It includes statutory personnel ceilings similar to those en-

acted in annual Defense Authorization Acts.

Also included in this legislation is the International Broadcasting Act of 1993 which I introduced in March with the intent of providing a broad and flexible outline for our broadcast services as we work to restructure their mission and organization. We will get more into that legislation and that issue somewhat later.

Rather than continuing, I will ask that my entire opening state-

ment be included in the record.

The prepared statement of Mr. Berman appears in the appen-

I would like to first thank her for her hard work and cooperation in putting this bill together and then recognize the subcommittee's

ranking Member, Ms. Snowe.

Ms. Snowe. Thank you, Mr. Chairman. First of all I want to apologize for being late. I was testifying before the Rules Committee since 12:30 on reconciliation. So I apologize for my tardiness here today.

Mr. BERMAN. They will do anything to stop you and Bob Michel

from having a press conference.

Ms. SNOWE. Mr. Chairman and Members of the committee.

First of all I want to thank you, Mr. Chairman, because you have worked very hard to try to develop, I think, bipartisan legislation on this reauthorization process of the State Department, USIA, and

the various agencies.

I have to say that this is probably the most fiscally constrained legislation that we have before us. In fact, the State Department submitted its request at a hard freeze of the 1993 appropriated level, and increases were only permitted for areas such as population assistance, refugee programs, and inflation for assessed contributions of international organizations as well as international peacekeeping responsibilities.

We, in this subcommittee draft, took an additional \$117 million worth of cuts so leaving this legislation well below the current services level for foreign affairs agencies.

The overall funding is \$7.3 billion. It does remain \$75 million above the 1993 appropriated level. I expect, eventually, we will have additional amendments to try to meet the 1993 level.

In any event, I have to say this budget, in terms of being physically responsible, it certainly meets that standard in, I think, al-

most each respect.

As the chairman indicated, there is significant organizational flexibility with respect to this legislation. I think it will assist the Department in trying to meet, I think, some very difficult funding levels, to give them more flexibility in order to accommodate the funding reductions that have been included in this reauthorization.

In addition, this legislation provides a minimum of 15 percent cuts in the ranks of Senior Foreign Service. I think, as one of our hearings indicated, there are currently 912 members of the Foreign Service at the State Department, the Senior Foreign Service level, of the total Foreign Service of more than 4500. So that means the highest rank in the Foreign Service, about 20 percent, are Senior Foreign Services. The State Department has less than 1 percent of the Federal work force but has more than 10 percent of all the sen-

ior grade positions in all the U.S. Government.

I think this legislation moves in the right direction in reducing the numbers in the upper echelons in the Foreign Service. We also have a study to be done as a result of this legislation, and that will also give us better ability in the future to address some of these issues.

In addition, we have legislative limits on under secretaries and assistant secretaries. For the first time, we have limits on the num-

ber of mid-level deputy assistants secretaries.

At the beginning of the year, the State Department had, historically high, 93 deputy assistant secretaries. Now that number will be reduced to no more than 63. This will help to give the State Department greater management tools to force personnel reductions but at the same time protect itself against the bureaucratic bracket creep that I think has engulfed the State Department over recent years.

In addition, I have several initiatives here with respect to women's human rights, to provide a human rights advocate on behalf of women in the Human Rights Bureau which we think is very im-

portant.

The second part of this legislation establishes comprehensive standards for increasing attention to women and children who make up 80 percent of the refugees in the world. So we want to be sure that increased attention is given to women and children refugees. That would call for the State Department to put all of its efforts behind the full implementation of the guidelines and the protection of refugee women in the 1991 report of the United Nations.

Finally, Mr. Chairman, there are several provisions in this legislation that would address the Terrorist Interdiction Act of 1993 which would address the weaknesses in the State Department's look out system. I think, as a result of the bombing of the World Trade Center, we realized how deficient our system is with respect to our visa system. So, as a result, we are going to upgrade the State Department's system.

In addition, we will call for personal accountability for the human failures in providing visas to individuals who should not be given visas as was the case with the Sheikh Abdul Rahman who has at least been implicated in the bombing of the World Trade

Center

So we hope those provisions will go a long way toward preventing some of those problems in the future and to correct the weaknesses that currently exists with the microfiche system within the State Department and various embassies and consulates.

There is another provision that will have to be addressed by the

Judiciary Committee. I will be making that recommendation.

Again, I just want to express to you my appreciation for the work that you have done on this legislation. I hope we can address the Free Trade in Ideas Act, because I know that will represent a serious problem on our side with many Members.

So I hope we will be able to address that issue here today as

well

Thank you, Mr. Chairman.

Mr. BERMAN. Thank you, Ms. Snowe.

If it is all right with the subcommittee, I would like to first of all remind you that there is a spreadsheet which shows every add-on and every deletion in the most easily understandable form possible from the administration's request and then ask the staff to run through an explanation of the bill on a quick section-by-section basis.

When they reach a section where Members have questions, I will be happy to recognize them for questions and discussion. And then

we will move to the amendment process.

Is that agreeable?

OK. Then we will start with our staff: Brad Gordon, Staff Director; Eric Lief; Amit Pandya; and Graham Cannon from the subcommittee's majority staff; Ken Peel is back here close enough to influence us.

At this point, I will recognize Eric Lief to start with the initial

sections of the bill.

Mr. LIEF. Thank you, Mr. Chairman.

Thank you, Ms. Snowe.

The staff is prepared to go into all provisions of the bill in detail. Administration officials are also present for any questions the Members may have.

The chairman's mark, in summary, is a composite of administration requests, subcommittee Member's requests, the chairman's ini-

tiatives, and Ms. Snowe's initiatives.

Perhaps we could just start off by talking about the budget in

summary.

Sections 101 and 201 of the draft bill authorize appropriations for fiscal year 1994 and 1995 for the Department of State, USIA, AID operating expenses, not assistance programs, and the Arms

Control and Disarmament Agency.

Section 201 also authorizes appropriations for international broadcasting activities. The spreadsheet in your folders summarizes the budgetary provisions of the chairman's mark. Most of the accounts track exactly to the administration's request which, as Ms. Snowe indicated, constitutes a hard freeze.

As exceptions, there are 10 specific add-ons in the bill totaling approximately \$150 million. There are seven specific offsets total-

ing slightly more than that.

In the State Department portion of the bill, there are a total of

a little more than \$71 million in add-ons.

I can itemize those if Members have any specific questions. The largest ones are \$15 million in 1994 and \$60 million in 1995 for the U.S. contribution to UNESCO; \$2.5 million for the World Food Program at Mr. Gilman's request; \$5 million for UNICEF at Mr. Hamilton's request; and \$32 million for refugees.

In the USIA part of the bill there are add-ons for South Pacific Exchanges at Mr. Faleomavaega's request; for an American Studies Program, which is one of the chairman's initiatives; and for the Mansfield Fellowship Program, which is one of Chairman Hamil-

ton's initiatives.

The major offsets are to State Department and USIA Washington-based administrative accounts.

Mr. HYDE. Mr. Chairman, I have a question on the USIA.

Mr. BERMAN. Yes.

Mr. HYDE. Can I ask it now?

Mr. BERMAN. Yes.

Mr. HYDE. It is just informational. I notice on the sheet that Fulbright Programs are \$134 million and some change. Humphrey Fellowships are \$7,977,000; Muskie Fellowships, \$7 million—

Mr. BERMAN. I know where you are leading.

Mr. HYDE. I see Israeli-Arab Scholarships, \$397,000.

Mr. BERMAN. At least it was not named after a Democratic Sen-

ator.

Mr. Hyde. Well, there must have been an error, because I see Eisenhower fellowships \$300,000. Why so generous to a former President as against three former Democrat senators? Is that just the way the ball bounces?

Mr. BERMAN. I think this is the consolation prize for 12 years of

not controlling the executive branch.

Mr. HYDE. On behalf of General Eisenhower, thank you very

much.

Mr. LIEF. The Eisenhower Fellowship Program, Mr. Hyde, was established by an endowment 2 years ago. I believe it was \$5 million that was deposited into an interest-bearing account. What you see there is the authorization for the expenditure of the interest.

Mr. HYDE. Are those private funds?

Mr. LIEF. No. They were government funds appropriated to be deposited into an endowment.

Mr. BERMAN. With the strong Democratic program bringing down

interests rates, it is diminishing the size of the fund.

All right, Mr. Lief.

Mr. LIEF. Moving on to the area of general authorities—and the staff will end up switching off because different people have worked on different sections of the bill-section 111 is an executive branch request pursuant to a recommendation of the State Inspector General. It eliminates the requirement for a classified audit of the emergencies account and replaces it with a requirement for a periodic audit. The existing statute was viewed by the Inspector General as too cumbersome.

Section 112 is also an executive branch request. It expands and makes permanent certain authorization transfer authorities en-

acted in the 1992-1993 authorization act:

Mr. PANDYA. Section 113 was requested by the administration. It provides for the procurement of services and the establishment of a fund for deposit of reimbursements from other agencies and departments in order to allow the Department of State to litigate international legal proceedings of various kinds.

Mr. LIEF. Section 114 is an administration request which repeals the sunset on the authority to establish child care centers in em-

bassies abroad.

Section 115 institutes a reprogramming notification regime for the Agency for International Development which is similar to the notification regime for State and for the U.S. Information Agency.

Mr. BERMAN. This will be amended by an en bloc amendment to

start this in fiscal 1995.

Mr. LIEF. That is correct, sir.

Mr. PANDYA. Section 116 would prohibit the letting of State Department contracts with persons who either comply with the Arab League boycott or with persons who discriminate on the basis of religion in letting subcontracts.

It provides for a waiver on a country-by-country basis only for the prohibition on the Arab League boycott. I understand that the administration is working out some fixes to this with the staff of

the Economic Policy, Trade and Environment Subcommittee.

Mr. LIEF. Section 117 of the draft bill sets limits for Foreign Service personnel. The chairman referred to this. It sets limits for personnel in ways very similar to those enacted in annual defense authorization acts for the military services.

Mr. BERMAN. Let me interrupt at that point.

It is interesting that the State Department is one of the few agencies in the Federal Government that does not have a set number of staff or of senior staff. We changed that by virtue of this provision. Every other agency is required to essentially come forward to the congressional branch and enumerate the number of positions they have.

We are extending that requirement here to the State Depart-

ment.

Go ahead.

Mr. LIEF. Section 118 is an executive branch request. It clarifies the authority of the Foreign Service Institute to provide special

training programs to officials of foreign countries.

Over the next several years the foreign affairs and diplomatic training needs of Eastern Europe, for example, the new Independent States, and other regions of the world are going to be growing. This will authorize the Foreign Service Institute to conduct this training on a reimbursable basis. The reimbursement could be paid by either U.S. Government agencies or by a foreign governments.

Section 119 is also an executive branch request. It would eliminate the requirement for an annual report to Congress on American prisoners in foreign jails. From what we can tell, there is minimal interest in this report but it consumes significant resources for

the executive branch to prepare.

Section 120 is a modification of an executive branch request. It would clarify that passports may be issued and notarial services performed abroad by designated State Department employees who are not diplomatic or consular officers but who are U.S. citizens.

It also modernizes references to diplomatic and consular officer. It is to make more efficient use of Department employees at posts to allow them to hire staff, engage spouses in this kind of work, pursuant to the Rockefeller Amendment.

Section 121 institutes a requirement for authorization of appropriations for AID operating expenses similar to those applicable to

State and the U.S. Information Agency.

Mr. HYDE. Excuse me. May I ask a question about 121?

Mr. BERMAN. Certainly.

Mr. HYDE. Grants for Environmental Activities: What are we talking about in terms of money?

Mr. LIEF. I am confused as to the section, Mr. Hyde.

Mr. HYDE. 121, Grants for Environmental Activities: "make grants, contracts, and otherwise support activities to conduct re-

search and promote international cooperation on environmental and other scientific issues."

Is that something AID does? Is that what you are saying?

Mr. BERMAN. There is a limitation. It is in the bill.

Mr. LIEF. I think you may be reading from the administration request rather than the subcommittee draft. That is why I am confused.

Mr. HYDE. Excuse me. I am sorry. Is this not in the bill then? Mr. LIEF. The provision you are speaking of is in the bill, but it has been modified.

In the subcommittee print, sir, if you can turn to page 32, on

page 7 of the subcommittee print-

Mr. MANZULLO. This is like legislative bingo. Are these numbers

supposed to correspond from this outline to the bill here?

Mr. LIEF. There is not supposed to be any correspondence. The administration presented a request; we have a significant amount of more legislation in the subcommittee draft than the administration presented in the request.

Mr. MANZULLO. I can't follow you.

Mr. BERMAN. The table of contents of the subcommittee draft—this is the working document.

Mr. MANZULLO. Do these numbers refer to these numbers here?

Mr. LIEF. Not in all cases.

Mr. MANZULLO. This is supposed to explain this, though.

Mr. LEF. No. The one you have in one hand is the administration request.

Mr. MANZULLO. Then why don't they refer to the same numbers?

Mr. HYDE. I will withdraw my question. I don't want to tie up the whole group. Mr. LIEF. The answer is on page 7.

The administration's request was for permanent authority for the

State Department to conduct those activities.

On page 7, instead of providing the permanent authority, we have authorized the appropriation of the funds to conduct those authorities for 2 years.

Mr. BERMAN. Page 7 of what?

Mr. LIEF. Page 7 of the subcommittee draft. It starts on line 10. Mr. Berman. "Of the amounts authorized to be appropriated for the "Diplomatic and Consular Programs," \$10 million is authorized to be available in fiscal year 1994 and 1995 for grants, contracts, and other activities to conduct research and promote international cooperation on environmental and other scientific issues."

Mr. HYDE. So we have \$10 million for grants and other activities

to do research and promote international cooperation.

All right, I think I have an understanding. Thank you.

Mr. LIEF. This is consistent with the amount of money the administration requested for this activity, Mr. Hyde.

Mr. BERMAN. Now, you have my curiosity piqued. What is on page 32, section 121, which is what I thought originally was that.

Mr. GORDON. Mr. Hyde was referring to section 121 in the administration's request, and it doesn't correspond to section 121 in the subcommittee draft.

Mr. BERMAN. I have more sympathy for the gentleman's earlier

comments.

Mr. LIEF. I am sorry for the confusion, but we are working only from the subcommittee print and not the administration request. The administration request is available for comparison of the request with what we have given them. But, as we read through this, we are working from the draft.

Section 122 directs the State Department, the Agency for International Development, and the U.S. Information Agency to report to the Congress on possibilities of consolidating domestic adminis-

trative operations for the purpose of cost savings.

Section 123 closes certain loopholes in existing statutory preferences for U.S. contractors in provision of guard services in embassies abroad. It reinforces the preference for American contractors.

Section 124(a) is an executive branch request. It would authorize the State Department to collect, retain, and use a new visa surcharge for processing machine readable nonimmigrant visas or border crossing guards.

The amounts collected would be used to defray the costs of im-

proving consular services.

Section 124(b) is one of Mrs. Snowe's initiatives, and perhaps

Ken Peel can explain that.

Mr. PEEL. Just briefly, section 124 implements the parts of Congresswoman Snowe's, together with Mr. Gilman's and Mr. McCollum's, Terrorist Interdiction Act of 1993, the parts within the jurisdiction of this subcommittee and the Foreign Affairs Committee.

It leaves out the parts under the jurisdiction of the Judiciary Committee. That would be to require an upgrade in the States Department's antiquated Visa Outlook System plus to enact personal

accountability for human failure.

I would also mention that the local guard contract in the previous section is closing a loophole in a Republican amendment from

Mr. Broomfield from 4 years ago.

Mr. LIEF. Section 125 of the substitute, consular and diplomatic posts abroad, closes another loophole in a provision that was enacted by the same bill 2 years ago.

It provides more flexibility to the Department to close posts.

Part C, in its entirety, contains the executive branch's request for statutory changes related to reorganization of the State Department that the chairman referred to. The part sets aggregate ceilings for subcabinet appointments and removes from statute every barrier, rigidity, or impediment to reorganization other than requirements for reprogramming notification.

The only exceptions to that are items that are governmentwide. We did not remove the statutory requirement to maintain an In-

spector General and a Chief Financial Officer.

Mr. BERMAN. One of the en bloc amendments will deal with Part C. And we will discuss that when we get to the en bloc amendment.

Mr. LIEF. Section 141 implements, in a modified form, the principal recommendations of the 1989 Thomas Commission on State Department personnel. The section prohibits management officials from directing the activities of Foreign Service employees representative labor union, AFSA.

Section 142 is an executive branch request providing a voluntary retirement incentive program for the Department of State and con-

tains provisions to keep it cost neutral.

Section 143 is a modification of an executive branch request. It allows the Secretary of State to waive limits on employee claims for personal property loss in extraordinary situations. This was occasioned by evacuation situations in places like Somalia where losses were extraordinary.

Section 141 is an executive branch request. It is technical in nature. It would make Chiefs of Mission subject to the same aggregate limitation on pay as other members of the Senior Foreign

Service and most Federal employees.

Section 145 is, in part, an executive branch request and, in part, a subcommittee initiative. It would subject the award of performance pay to Senior Foreign Service members to the same limits applicable to Senior Executive Service members with one exception, it would prohibit performance pay entirely when reductions in force are taking place.

Section 146 modifies an executive branch request. It is technical in nature and makes more effective provisions to affect the retire-

ment of former Ambassadors.

Section 147 is in the draft. It limits promotions into Senior Foreign Service to achieve the limitations in section 117. This amendment is going to be deleted in the en bloc amendment by agreement with the minority and at the request of the administration.

Mr. BERMAN. We are now capping, for the first time, the Senior Foreign Service. We had also included in their draft a limitation on the ability to promote in the Senior Foreign Service. We have been advised in the spirit of giving the executive branch as much flexibility as possible, since we have the cap, the constraints of the promotion language are so limiting and they have asked us to remove them.

Since we have the cap and the reduction in the authorizations to be consistent with the cut back that we are mandating in this that which would give them the abilities to have more flexibility in de-

ciding the promotion process.

Mr. LEF. The promotion limitation was viewed as a significant constraint on diversity in the higher ranks. If they could not promote, they could not diversify their senior work force. That was the case that was made to us.

Section 148 requires an OPM audit of Senior Foreign Service po-

sitions in Washington which Ms. Snowe referred to.

Section 149 limits the number of temporary extensions which can

be granted to expiring Senior Foreign Service appointments.

Mr. GORDON. Section 161 calls on the President to work to obtain IAEA reforms in safeguards: to improve detection of nuclear facilities, to increase the transparency in international nuclear commerce, to increase the scope of safeguards to all nuclear bomb-related activities, to increase the efficiency of safeguards, and to improve access to information about nuclear activities of member states.

Mr. LIEF. Section 162 is an executive branch request which provides the necessary congressional approval of the recently signed executive agreement exempting certain employees in international

organizations in the United States from State and local income taxes.

Mr. PANDYA. Section 163 is a modification of an administration request. It extends current law allowing the President to withhold up to 20 percent of funds appropriated for the U.N. unless the U.N. implements consensus budget decisionmaking.

It also allows for the payment of an arrearages in assessed contributions without regard to the 20 percent withholding if that

would further U.S. interests in the organization.

A modification of the administration's request is to retain a provision of current law requiring notification of the Congress in cases where payments are either withheld or payments are made. But it would meet the administration's request to eliminate an annual report that is required.

Mr. BERMAN. Where in the bill are the sections that Ms. Snowe discussed with respect to urging the adoption of an Inspector Gen-

eral system in the United Nations?

Mr. PANDYA. We were still working on the language this morn-

ing. We are still trying to work it out.

Ms. SNOWE. We are having difficulty in deciding how we can approach that issue in terms of leverage and calling on the Secretary of State to enter into negotiations with the U.N. on and Inspector General.

Mr. BERMAN. Should we reserve this for the full committee?

Ms. SNOWE. That is right.

Mr. LIEF. Section 164 is an executive branch request. A lot of it is technical in nature, but it would authorize the U.S. section of the International Boundary and Water Commission to receive and retain payments from public and private sources.

It expands the commissioners' authority to expend funds in the

case of an emergency.

Mr. PANDYA. Section 165 would authorize the President to maintain membership in the Asian Pacific Economic Cooperation Organization.

The United States is currently the chair of the organization. At the ministerial meeting in September, the organization decided to create a secretariat and a fund to be paid for by assessments of members. The U.S. share would be 18 percent.

Section 181 is the women's human rights protection provision

which Ken may want to explain.

Mr. PEEL. This is the text of another bill introduced by Congresswoman Snowe calling on the State Department to appoint an advocate for women's human rights issues in the Human Rights Bureau and establishes a policy on women's human rights efforts by that bureau.

Mr. PANDYA. Section 182 would—well, current law requires pub-

lication of international agreements.

Section 182 would allow the Department of State to not publish such agreements if their publication serves no public purpose and as long as the Department continues to make them available to the public upon request.

Mr. FALEOMAVAEGA. Is there any distinction between agreements

and MOU's and treaty?

Mr. PANDYA. My understanding is that this covers international

agreements of all kinds.

Mr. FALEOMAVAEGA. Sometimes the administration signs off on MOU's, and we don't get the benefit to evaluate or even to understand if it is in force by the will of the administration unilaterally or without congressional consent.

I just wanted to find out if—whether or not the publication of treaties and MOU's and agreements—I am just not clear what you

mean by "agreement."

Mrs. Carlson. I am Mary Helen Carlson from the legal advisors office. All these agreements, including MOU's and international agreements of all sorts, would still be continued to be submitted to the Congress under the Case-Zablocki Act. There would not be any difference there.

Just as a matter of resource management, and only after consultation with other affected executive branch agencies, we would like to have the authority not to publish certain categories of very

technical agreement.

International postal agreements run on to four volume and talk about the kind of glue that can be used on envelopes. But everything would continue to be submitted to Congress under the Case-Zablocki Act.

Mr. FALEOMAVAEGA. You are talking about maybe a 4,000-page

agreement.

Mrs. Carlson. I think we are 3 years behind in publishing. And this would allow us to catch up with the more important agreements that are of interest to people.

Mr. FALEOMAVAEGA. Do you at least publish and say there is an

agreement or MOU?

Mrs. CARLSON. Right now, we which publish the whole thing.

Mr. BERMAN. Three years later?

Mrs. CARLSON. We are way behind. Many of them. The substance of the agreement will expire by the time we get around to publishing them.

Mr. GILMAN. Do you at least publish an index of what is agreed

upon?

Mrs. Carlson. Currently we publish everything.

Mr. GILMAN. You are publishing it 3 years later, but currently

is there a current index available.

Mrs. Carlson. No. My understanding is that there is not. Everything, though, is currently transmitted to the Congress.

Mr. GILMAN. How is it transmitted?

Mrs. Carlson. Under the requirements of the Case-Zablocki Act.

Mr. GILMAN. Are you transmitting them currently?

Mrs. CARLSON, Yes.

Mr. GILMAN. In what form?

Mrs. CARLSON. We publish them in bound volumes. They come to this committee.

Mr. GILMAN. To the Foreign Affairs Committee. So if we need a MOU, we can look it up?

Mrs. CARLSON. Yes.

Mr. FALEOMAVAEGA. Say a MOU was published a few months ago, is that ready to come to me right now if I requested a copy of it?

Mrs. Carlson, Yes.

Mr. BERMAN. It has been expressed that we move along the explanations before people fall asleep.

I sometimes think it might be better if people fell asleep.

So we are on section 183, migration and refugee amendments. Mr. PANDYA. This would amend the Migration and Refugee Assistance Act of 1992 to bring up to date the name of the International Organization for Migration which changed its name a while ago and is mentioned in the act.

It would also authorize a lifting of the ceiling on the Emergency Refugee and Migration Assistance Fund which is—at present, the ceiling is \$50 million. This would authorize the lifting of it to \$100 million. It would not authorize appropriations. It would merely provide more capacity in the emergency funds in the event that appropriation were available for the fund.

priation were available for the fund.

Mr. Berman. Section 184.
Mr. Pandya. 184 is sense of the Congress language that the Secretary of State should seek an immediate resolution of the problem of discrimination against Israel in Security Council membership. This arises from the use of informal regional groups as the instrument for choosing members of the Security Council.

Section 185 relates to the Immigration and Naturalization Act.

Perhaps I should just defer that for questions.

Mr. MANZULLO. I do have a question on that.

Mr. BERMAN. Mr. Manzullo.

Mr. MANZULLO. My understanding is that the proper jurisdiction

comes under Judiciary.

Mr. Berman. As a member of the Judiciary Committee, I would be most reluctant to entertain anything that the Judiciary Committee might view as a usurpation, given that I do go back there. They have not only waived but have asked us to do this.

Mr. MANZULLO. The other point is, if this is enacted, every time the ship docks, it will cost between \$2,000 and \$2,500 more to un-

load that ship. We had to do some research to find that out.

That is why the Canadian Government has already sent a message to our Government objecting to this language.

Mr. BERMAN. This is premised on reciprocal treatment.

Mr. PANDYA. There is one of three bases for allowing foreign ships to unload foreign ships at U.S. ports. The others have to do with existence of collective bargaining agreements and environmental and safety considerations.

This happens to be one of the bases. It is based on reciprocal

treatment.

Mr. MANZULLO. With Canada, who is objecting to it?

Mr. PANDYA. It is general in its terms. It applies to any country that provides reciprocal treatment. I understand that the controversy has been about the way in which the State Department has interpreted its responsibilities to assess reciprocal treatment in a way that is consistent with statutory language.

Ms. SNOWE. Would the judiciary committee be addressing this

issue at all?

Mr. BERMAN. No. That is why they asked us to.

In other words they preferred—by and large, sometimes the Judiciary Committee has marked up an overall authorization bill. They

asked us to include this. There is no anticipated overall immigration bill. So they asked us do put it in here. It is one of those rare times.

Mr. MANZULLO. Are there any other problems between our committee and Judiciary where there is a conflict with jurisdiction?

Mr. BERMAN. I don't think so, no. In the area of refugees, the jurisdiction is divided. The Judiciary Committee has jurisdiction over the domestic resettlement portion of the refugee program whereas our committee has jurisdiction over admissions and overseas assistance.

Mr. Manzullo. I understand that the minority on the Judiciary Committee objected to this committee hearing this issue which I still say is Immigration and belongs in Judiciary.

Mr. BERMAN. Well, the Majority did not pass on the Minority's

position, they told me.

Ms. SNOWE. I guess it would be a matter of sequence referral. This is a matter that would be under our jurisdiction as well as the

Judiciary Committee.

I certainly would prefer to have a hearing on this issue if there are problems. The concern that has been raised is the fact that the State Department has been granting too many exceptions in this instance, this reciprocity. They have been overly liberal in granting exceptions to the reciprocity issue.

Mr. BERMAN. The provision is in existing law. It is an amend-

ment of that provision.

Mr. GILMAN. You are a member of the Judiciary Committee. Wasn't this part of the deliberation also in the 1990 act which were quite sensitive negotiations?

Mr. BERMAN. Yes. This was a negotiated provision in the 1990

bill which I was involved in.

While I am less familiar with all the details of this amendment, I understand it arises because what has happened is that even though a foreign law might allow something, a practice in a particular harbor doesn't allow it; and, therefore, the State Department is assuming reciprocal treatment even though there is a variance from the law.

Mr. GILMAN. And the Judiciary Committee.

Mr. BERMAN. Yes.

Mr. GILMAN. Why should this hot topic be tossed into the lap of this committee? Why should we suddenly be confronted with this without any opportunity to examine the issues?

Mr. BERMAN. You mean, why should they have tossed it to us or

why should I have caught it?

Mr. MANZULLO. Both.

Mr. BERMAN. I caught it because I liked the original provision and supported it and was involved with it in the 1990 Immigration Act in any capacity on the Immigration Subcommittee. Since I was asked and liked it, I found it easy to say yes.

Could I make a suggestion? We just started this, and we have 10 to 12 days between now and the full committee mark up. I don't want to take up time, but I would like to look at this and see if

there are other ways to accomplish it.

Mr. Manzullo. Thank you, Mr. Chairman.

Mr. PANDYA. Section 186 was requested by Chairman Hamilton. It merely addresses a discrepancy between interparliamentary exchanges with Mexico and Canada.

Mr. BERMAN. Just to speed this along, in any area where you want to, as you look at the table of contents, unless it is substantive, let's say it is technical.

Any area where somebody wants to ask a question as you look through the table of contents? It conveys a certain amount of information but unless it is substantive—and so now we are in section 187

Mr. GILMAN. Mr. Chairman, before going past 186, which of the interparliamentary meetings are we taking money away from, and

which are we adding to?

Mr. PANDYA. We are taking away from Mexico and adding to Canada. Canada at the moment has a permanent authorization, an annual authorization, of 50,000; and Mexico has a permanent annual authorization of 100,000, and the Mexican program is using the funds and needs more.

Mr. GILMAN. We are not touching the European Community?

Mr. PANDYA. No.

Mr. BERMAN. Section 187, anything very specific in nature there?

Mr. PANDYA. This is policy concerning refugee women.

Mr. BERMAN. Section 188 and 189 and 190. Mr. Edwards is the author of some of these provisions. Which ones?

Mr. GORDON. 188, 189, 190, and 192.
Mr. BERMAN. After consultation with Mr. Edwards, he has agreed to allow us to withdraw these. These are in the area of jurisdiction of Chairman Lantos' subcommittee. I understand we will have a hearing on this.

And subject to that, they may be, without prejudice, offered when

we take up the bill in full committee.

Unless someone wants to, we don't need to discuss it now. We need to discuss it in front of Mr. Lantos' subcommittee and in the

full committee, 191?

Mr. GORDON. 191 amends the state authorization bill for fiscal year 1992 and 1993 by adding a section to current law 102-138 that the President should make sales to Middle Eastern countries only if the sales would be used for internal defensive purposes, and that such sales should not contribute to an arms race, and that the recipient countries support the peace process.

To that will be added that they shall also not participate in the

primary or secondary Arab boycott.

Mr. BERMAN. Title II, the U.S. Informational, Educational and

Cultural Programs, authorization of programs.

Basically, here we are again going to have the spreadsheet that describes the funding, the add-ons, and removals. There is some limitation on the cutback to the tight budget and expenses for the USIA.

Is there anything else that we need to talk about on section 201

in terms of authorizations?

Well, actually this gets into our broader question, which I should raise now. The administration has a working group looking at all broadcasting. For the purposes of consolidation, the language in the bill was not meant to indicate a full-blown organizational structure.

It was simply to set forth policies that we want from the radios, standards that we expect, the maintenance of surrogate radios, and to buy some time while the administration completes its effort. And

that is what is in the bill now.

In addition to that, we rescind the previous authorization for the Israel relay station, and we—as I understand, Mr. Levi has an amendment to the section when we open up the bill to amendment. But the part is basically a place marker, and the hope is that—and also we continuing the authorization for Cuba Radio and Radio Free Asia.

It is certainly the opinion of the Chair, especially having come back from Russia, that the continuation of Radio Free Europe and Radio Liberty provides a useful role. But it is in the context of how to organize all of these and provide the efficiencies that we think can be achieved in the context of the current budget constraints that the task force is going to propose semething to us

that the task force is going to propose something to us.

And unless anybody has any questions——
Mr. DIAZ-BALART. Mr. Chairman, could you or staff clarify what

is done with regard to the advisory board?

Mr. BERMAN. As I understand it, we knocked out, not as a statement of policy, but simply to demonstrate the desire to create a clean slate, for every authorized agency. Broadcasting is no longer a "place" in USIA, RFE, and RL.

Mr. CANNON. No. We eliminate broadcasts and the advisory commission on Broadcasting to Cuba specifically as streamlining meas-

ures.

Mr. DIAZ-BALART. As streamlining measures?

Mr. CANNON. Should the administration want to effect some consolidation, it has the ability to do so.

Mr. BERMAN. Let me put it this way—

Mr. PANDYA. I think it should be observed that, of course, the administration could create whatever administrative boards or structures that it wants. It would remove the statutory mandate that it must do so.

Mr. BERMAN. There is tremendous interest in the organizational

structure for the radios.

Mr. DIAZ-BALART. But you kept the-the clean slate argument

doesn't work if you kept one.

Mr. PANDYA. Its function is to advise the President on all matters of U.S. public diplomacy. And its statutory duty is to advise the President and Secretary of State.

So its mandate is broader than being an advisory board on broadcasting to a particular part of the world. And that was the

thinking behind not rescinding it.

Mr. BERMAN. Is VOA structurally underneath the commission on

diplomacy?

Mr. PANDYA. No. The advisory commission on public diplomacy stands off to the side, if you like.

Mr. BERMAN. So the answer is no.

Mr. PANDYA. No. I mean, except that—and it does advise on all matters of U.S. public diplomacy which would include the radios, Radio Free Europe, Radio Liberty, the Voice of America, the Cuban broadcasting operations of the Bureau of Broadcasting, and the Bureau of Educational and Cultural Affairs.

Mr. BERMAN. What I would ask my subcommittee colleagues to do, I understand—and I share their concerns about the organizational structure, the role of surrogate radios, and perhaps most importantly, to what extent these radios will have any certain level of independence from the policymakers, because there is a role for an independent voice in these radios.

Given what I am advised, I would suggest that this working group will have something for us in 2 weeks and that we not spend a great deal of time right now. And I hope that you will trust that we will open that up in full committee and come back and not prej-

udice anybody's situation.

I just want to give you—before we get into a large series of discussions about this, I thought, let's get the administration's viewpoints as to what kind of broad base they have secured for whatever they are putting together in that context.

Mr. DIAZ-BALART. Chairman, I would agree with that analysis. And I would think that, in order to have a clean slate, we have to

wait for the administration's analysis and the working group.

Unfortunately, I don't have as much information as I wish I had, nor expertise with regard to a lot of these advisory boards. But I do know about the advisory board for Cuba. And I think it is a definite policy statement that, before the administration comes out with its working group recommendation, that we eliminate it here. That is what we are doing.

So I have an amendment, and I would ask for consideration at the appropriate time. My amendment is to reauthorize—or rather to keep out the deauthorization of the advisory boards for Broadcasting to Cuba, pending, of course, the report of the administra-

tion's working group.

I accept your word, and I know that you are willing to work on this; and so are we. But we don't think that the policy decision should be taken at this point to eliminate the advisory group—

Mr. LIEF. Mr. Chairman, I think there may have been a misstatement or misunderstanding. This legislation would not require the administration to disband anything.

Mr. BERMAN. I think the gentleman understands what the

amenament does.

Mr. DIAZ-BALART. That was clear. In other words, they could create what they want. But we are the authorizers.

Mr. LIEF. The independent, freestanding funding for Broadcast-

ing to Cuba is maintained as a separate line-item.

Ms. Snowe. I think the concern is that there is no requirement for the administration to come back and address this issue. It gives them the option of terminating all of these functions without the

requirement of coming back even with respect to reform.

Mr. BERMAN. I would ask the subcommittee—and I ask the gentleman to delay offering his amendment to the full committee without any prejudice to it being offered there so that we can have a product before us. And we don't have to get into a long discussion about which authorities to create, because in the end, what we will end up doing is rebuilding all the structures when we never intended to make a policy judgment. We only intended to create this clean slate.

I prefer to eliminate the Commission on Public Diplomacy than to recreate all the other agencies if the gentleman feels that merits it.

But my request would be, in full committee, if there is not an appropriate substitute from the administration that meets with your approval, we will be either substituting what they are proposing or varying what they are proposing or what you are proposing. We

will be substituting for what is in this bill.

Mr. DIAZ-BALART. I appreciate the chairman's offer and accept his good faith in willing to work on this. If what the chairman is asking is that I simply have to state my opposition to the bill on final passage, because I will not offer amendments due to problems that I have with things that are included in this bill, well, I may do that.

Then, if the objective today is to try to agree on final passage, then there are matters and policy statements that we are making within this draft, this bill, that are important to a number of us.

And this is an issue that is a substantive issue. The advisory Commission on Public Diplomacy, you are taking out the Advisory

Bureau for Cuba, singling out a particular issue.

And either I have to have my amendment considered—but out of my deference to the Chair, I would have to say that I will be against this legislation. And there are other pieces in this legislation that I oppose much more vehemently.

And, Chairman, you can do as you wish; but this is an important

matter for a number of us.

Mr. BERMAN. It is an important matter for me, too. All right.

Go ahead.

We are now-

Mr. LEF. We are staying pursuant to the guidelines that you set out. I don't think that there is anything—I am trying to stay away from technical provisions that we are not going to explain, other than questions.

Mr. BERMAN, B? Are we on B or C?

Mr. LIEF. We are on C.

Mr. BERMAN, OK.

Mr. LEF. And these are all technical authorities. So, certainly, everything that I had on my list is technical or nonpolicy in nature.

Mr. BERMAN. Again, a couple of those programs involve programs which are referred to in the spreadsheet in terms of substantive legislative provision.

And you are saying they are essentially technical? Mr. LIEF. In part C, yes, they are all technical. Mr. BERMAN. So if there are no questions, then, now-where are

we? On part D? The Mansfield Fellowship programs.

Mr. PANDYA. This was at the request of Chairman Hamilton. And it establishes a Mike Mansfield Fellowship program for very specific kinds of exchange between the United States and Japan. It would specifically provide for U.S. Government employees to take leaves of absence to be placed in various Japanese Government agencies, and for some preparatory language and economics training ahead of time.

And it is designed to address the problem of insufficient expertise within the U.S. Government on matters Japanese, and particularly Japanese economic issues.

Mr. BERMAN. OK.

Mr. MANZULLO. Will the gentleman yield?

Mr. BERMAN. Yes.

Mr. MANZULLO. How much is this supposed to cost?

Mr. PANDYA. By way of an amendment that the chairman is going to offer today, it would be subject to the availability of appropriations.

But in this bill the authorization of appropriations is \$1 million

for the first year.

Mr. MANZULLO. And that is because there aren't enough people

who understand Japanese economic relations?

Mr. PANDYA. Because there are not enough people trained specifically in dealing with Japanese Government and Japanese economy.

Mr. MANZULLO. How does that become a government function?

Mr. BERMAN. The training and education, you mean?

Mr. PANDYA. Because it is designed to train U.S. Government people in that.

Mr. MANZULLO. So we set up a whole foundation as opposed to

sending somebody to some courses in Japanese?

Mr. PANDYA. The primary thrust of the program is not just the courses, but is, in fact, the placement of U.S. Government employees in a Japanese Government agency.

Mr. MANZULLO. Why would this have to involve the creation of a whole new program? And why can't this be done administra-

tively.

Mr. PANDYA. There are various things that need to be done in order to make the program work. One is to provide some kind of consolidated and coordinated training preparatory to the placement.

And the other is that agreements need to be reached on a governmentwide and on a government-to-government basis. And guidelines and procedures need to be harmonized rather than being done on a sort of ad hoc agency-to-agency basis.

Mr. MANZULLO. Do you have any idea how much of the \$1 mil-

lion will be used in administrative expenses?

Mr. PANDYA. I believe that most of the costs are budgeted for the training and travel and various ancillary costs to maintenance of the U.S. Government employee in Japan.

Mr. MANZULLO. And how many employees would there be for this

\$1 million?

Mr. PANDYA. I believe that the intention is—well, in fact the language of this part would require 10 in the first year—unless I am mistaken, I believe it is 10 in the first year and 20 in the second year.

Mr. Manzullo. So it is \$100,000 per employee? Is that what you

are saying?

Mr. PANDYA. Yes. And as I understand it, there is some discussion underway right now to see whether Federal agencies could be persuaded to, rather than granting leaves of absence to people who then would need to be paid the stipend, to see whether Federal

agencies would simply detail the employee and reduce the cost of

the program.

Mr. Manzullo. Perhaps as a way to eliminate the program or eliminate it altogether. Here, yet, is still another program at \$100,000 per year, per individual.

I mean, even Harvard doesn't cost that much. You can send peo-

ple to Harvard for cheaper than this costs.

Mr. PANDYA. This includes a stipend to allow someone at, you know, a middle to senior level in the Federal Government to maintain themselves in Japan as well as the training costs and the travel costs and the administration of the program.

Mr. MANZULLO. Then they draw their salary on top of this; is

that correct?

Mr. PANDYA. No. That is why if an agreement were to be reached to provide for detailing by the Federal agencies, that would substantially reduce the costs of the program.

Mr. MANZULLO. Can you give me more information on this?

Mr. PANDYA. As soon as I have it, I would be happy to.

Mr. MANZULLO. Fair enough, thank you.

Thank you, Mr. Chairman. Mr. BERMAN. Thank you.

OK. We are now in Part E, facilitation of private sector initiatives. Sections 261, 262, 263, and 264 and 265. This is all part of the Free Trade in Ideas authorization. There will be an author's amendment to strike section 263 from this legislation at the time.

And my suggestion is that we defer discussion until we get to

that.

Mr. DIAZ-BALART. I would move the chairman's amendment at the appropriate time.

Mr. BERMAN. Let me move it.

265 is part of that same legislation; right? The news bureaus. So now 266, Foreign Assistance Act of 1961—

Mr. PANDYA. -up to 268 are conforming.

Mr. BERMAN. Privatizing diplomacy through the broad-based movement of ideas and people in accordance with the Helsinki Agreements and the Constitution of the United States. A neutral interpretation by the author of the provision.

Mr. DIAZ-BALART, Mr. Chairman.

Mr. BERMAN. Yes?

Mr. DIAZ-BALART. I have some—a couple of amendments that, if we could agree to them, would negate my intent to offer an amend-

ment to delete all of the free trade and ideas act part.

Since the chairman is showing wisdom and good faith in agreeing to delete the freedom of travel part, which is 263. The other two parts that I have major concerns with are section 264 and section 262.

I want to call the subcommittee's attention to the comments that I have here from the Office of Foreign Assets Control of the Treas-

ury Department strongly opposing this legislation.

Mr. BERMAN. Can I just interrupt you for 1 second to say to my dear friends in the Office of Foreign Assets Control that it would have been very nice if you had also provided the author of the bill with your position on this issue.

Mr. DIAZ-BALART. They didn't hand this to me. This came kind of like from—I don't know where. I appreciate learning what the thinking is of the office.

Mr. BERMAN. We have a transom in our office too.

Mr. DIAZ-BALART. The major problem that I see with—I guess we will go by section.

Why don't we start with 262, if that is all right.

Mr. BERMAN. Do you want to get into this now, or do you want to get into this in the context we will sever from the en bloc amendment this issue and take it up individually?

Mr. DIAZ-BALART. I will get into it whenever the chairman thinks

it it is appropriate to get into.

Mr. BERMAN. Let's do it that way. This is a descriptive bill. Let's do it that way.

Title III: Arms Control and Disarmament Agency.

Mr. GORDON. Mr. Chairman, the provisions in this title as regard the Director of ACDA would add nonproliferation specifically to arms control and disarmament as an area for which the director is to be the principal advisor to the President and the executive branch.

And it would make the Director a permanent member of the National Security Council. It would require that one of the special arms control representatives be the Governor to the IAEA Board of Governors. It would give the Director primary responsibility for preparation and management of U.S. participation in all international negotiations and implementation forums in the field of arms control, disarmament, and nonproliferation. Arms negotiators would report to the director.

It amends the Arms Export Control Act by giving ACDA a statutory place at the table in deciding arms exports and the

disclassification of sensitive nuclear information.

There will be en bloc amendment related to this title, taking out the section amending the Nuclear Nonproliferation Act so that it may be referred to the Subcommittee on International Trade, which has jurisdiction.

Mr. BERMAN. In all fairness, I think, to the subcommittee members—and I was otherwise engaged and I didn't hear the explanation, but I know the provisions because I am a strong supporter

of them.

I don't know to what extent you comment on the administration's position; but in all fairness, the administration, I guess, doesn't have a position on this. However, there is a lot of feeling within the State Department to go in a different direction to essentially consolidate the Arms Control and Disarmament Agency within the State Department.

Mr. GORDON. Mr. Chairman, the administration is currently reviewing two or three options about what to do with ACDA. One is to fold it into the State Department, and another one is to revitalize. And my understanding is that they are moving toward a deci-

sion on that.

Mr. BERMAN. But there is not an effort to have a clean slate.

This is an effort to legislate.

And my own predilection, in this particular area, is that the issue of nonproliferation is important, and that the expertise with-

in ACDA is great. The single focus of ACDA is very useful to have. Every other agency of the executive branch that deals with these issues gets caught in the crossfire of the desire to promote exports and nonproliferation concerns in the Department of Commerce, Department of State, Department of Energy.

And Chairman Lantos and I have introduced a bill that preserves an independent ACDA and he will be reporting this out of his subcommittee and dealing with it before markup in full com-

mittee.

If there is no further discussion, what I would like to suggest is that we—the clerk will report the bill for the record.

The CLERK. Calling the bill to authorize—

Mr. BERMAN. I would ask unanimous consent that the reading be dispensed with.

I grant myself unanimous consent.

[The information appears in the appendix.]

All right. The print is before us. I will offer the—I recognize myself to offer an en bloc amendment.

I will quickly run through what the en bloc amendment does.

Do we have a copy? Yes, we have a copy.

Pass out page 2, which is the striking of the section for which Mr. Diaz-Balart discussed earlier. We are going to remove it from

en bloc amendment and take up separately.

Mr. BERMAN. The second amendment in this en bloc amendment are the provisions for the nuclear nonproliferation act for jurisdictional reasons dealing with Commerce Department on nuclear dual use items.

[The information follows:]

AMENDMENT TO THE SUBCOMMITTEE PRINT OFFERED BY MR. BERMAN

Page 137, strike line 18 and all that follows through line 25 on page 138.

Mr. BERMAN. The third amendment—is this technical adjustment

of figures?

Mr. LIEF. Yes, Mr. Chairman. They constitute a variety of math errors or misstatements that have been reviewed with the minority staff and agreed to.

[The information follows:]

### AMENDMENT TO THE SUBCOMMITTEE PRINT OFFERED BY MR. BERMAN

Page 5, line 3, strike "\$1,679,000,000" and insert "\$1,685,047,000". Page 5, line 4, strike "\$1,724,728,000" and insert "\$1,730,543,000". Page 5, line 12, strike "\$406,546,000" and insert "\$406,481,000". Page 10, line 1, strike "\$1,033,604" and insert "\$935,885,000". Page 10, line 1, strike "\$1,092,772" and insert "\$935,885,000". Page 10, line 10, strike "\$973,604,000" and insert "\$975,053,000". Page 11, line 18, strike "\$410,000,000" and insert "\$407,750,000". Page 11, line 19, strike "\$395,000,000" and insert "\$392,750,000". Page 87, line 21, strike "\$490,129,000" and insert "\$484,854,000". Page 89, line 20, strike "\$578,439,000" and insert "\$606,790,000". Page 89, line 21, strike "\$705,811,000" and insert "\$717,790,000".

Mr. BERMAN. The fourth amendment is technical.

Ms. SNOWE. What is the first amendment?

Mr. BERMAN. The first amendment takes in the Arms Control and Disarmament provisions. We included preview of different

kinds of licenses for nonproliferation purposes. As to the munitions list items, that continues. But in the area of nuclear dual use items which come to the Secretary of Commerce and are then referred to the Secretary of Energy, Chairman Gejdenson asked if we would remove that for now so that he could look at it, because that is within the jurisdiction of the International Trade Subcommittee.

We are doing better with the Judiciary Committee than we are

with Foreign Affairs.

All right. The Fifth Amendment is a set of technical changes to the Mansfield Fellowship program whose object is to avoid a drain on USIA resources.

[The information follows:]

AMENDMENT TO THE SUBCOMMITTEE PRINT OFFERED BY MR. BERMAN

Page 89, line 3, after "For" insert ""Mike Mansfield Fellowship Program",". Page 105, line 5, after "grants" insert ", subject to the availability of appropriations,".

Mr. BERMAN. We really haven't discussed the population issue—UNFPA. The next amendment modifies conditions and restrictions on UNFPA.

[The information follows:]

AMENDMENT TO THE SUBCOMMITTEE PRINT OFFERED BY MR. BERMAN

Page 12, line 2, strike "only" and all that follows before the period on line 3. Page 12, strike line 24 and all that follows through line 9 on page 13.

Mr. BERMAN. Basically, let me tell the subcommittee, I know

there is high interest in this issue.

The administration has proposed a \$50 million contribution to the UNFPA. We have been out of the UNFPA for a number of years, and during some of those years legislation has been vetoed that funded it. By and large, the stated reason is because of the

UNFPA's contribution to the China population program.

I think I have the concurrence of my ranking Member indicating that the two of us want to see the United States back in the UNFPA, that we support those programs. We think they do a number of important things. We do find the program in China to cross the line between the acceptable and the unacceptable, the coerced abortion, coerced sterilization portion of the China program, we think makes it one that the UNFPA should not participate in so long as it maintains those elements.

What we have done is to deduct, dollar-for-dollar, the funding for UNFPA to the extent that it participates in the China program. And the result is that it is \$50 million, but \$13 million of it is kept from being utilized until such time as UNFPA pulls out of China.

That is in the bill that is in front of us.

These amendments are relatively technical.

Mr. MANZULLO. Mr. Chairman, would you yield for a question?

Mr. BERMAN. Yes.

Mr. MANZULLO. On this dollar-for-dollar, does this simply make

other funds available for China?

Mr. BERMAN. No. That, to me, would not be sending the message that I wanted to send, which is that this program crosses the line; and so to say we will fund certain things of what you are doing but allow you to shift other funds to China would not be a real con-

straint.

The \$50 million would be our normal contribution. It is being proposed that we cut that \$50 million by the amount they spend in China. To the extent they spend in China, they lose in U.S. sup-

Mr. MANZULLO. But other countries, through UNFPA, send

money to China; isn't that correct?

Mr. BERMAN. Yes. China is one of the programs of the UNFPA. They are spending \$13 million in this period on that program. That is correct. We are saying we are going to reduce the amount we spend by virtue of the amount that they spend on China.

Mr. MANZULLO. I think the better message would simply be not to give any money to the United Nations. That sends the message:

Simply pull out of China altogether.

Mr. BERMAN. That message has been sent since 1985, 1984. It

hasn't worked, number one.

And number two—I don't say this in a partisan point of view but I have spoken with people at the UNFPA during the entire time that we did not participate in UNFPA, and the program to China continued. We sat on the governing council of UNFPA, and for reasons that I believe related to our other bilateral relationships with China, we never once raised in that governing council that the UNFPA should be directed to get out of China. We sat around here in Congress and the President opposed any appropriations for it, but the representatives in New York at the governing council, the governing body of the UNFPA, never once raised the issue of us getting out of China.

I suggest that this is a message that we support what UNFPA does generally. We oppose what they are doing in China. We are not going to put in a fencing gimmick. We are going to reduce our

normal contribution by every dollar they spend in China.

I hope we combine this with a serious effort, which I think this administration is prepared to do, to either get that China program changed in every way in which we find it repugnant or to get

UNFPA out of the China program.

Mr. Manzullo. Well, I appreciate the chairman's attempt to do this. My great concern is the fact that I am having a hard time understanding why China, which is going to build 152 new airports in the next 10 years, a GDP that gallops at 10 percent a year, should be accepting funds from the UNFPA.

I think that the better idea is that China doesn't need that money. The UNFPA likes what is going on in China. The director

has stated that. It is the policy decisions that are made-

Mr. BERMAN. That is not what she said to me when I called her. Mr. MANZULLO. Then she said something different in the press. And I think that any organization that is giving money to China should simply be defunded.

Mr. BERMAN. Well, the Chinese programs are \$2 billion, I be-

lieve. I am told.

Mr. MANZULLO. I appreciate your concern, and please move on. Ms. SNOWE. Can I say something in this regard. I don't want to extend the debate, and I appreciate what the chairman has offered to drop our contributions to the UNFPA, because I think it is the

right approach.

I would urge UNFPA to take a strong, proactive stand against what is happening in China. I think that is very important because we all have very serious concerns about what has taken place in China. It hasn't gotten better.

The fact is that it has gotten worse. I would hope that the UNFPA in his position would take a strong stand and do everything that it can to reverse those policies in China. It has an obli-

gation to do so.

Mr. Berman. The executive director of UNFPA indicates that their deputy will be going to China in the next few weeks to apply pressure for changes to focus on what the provinces are doing—because there is a tendency at the central level to deny any responsibility for the coerced portions of the policy—to indicate that one cannot simply back out of what provincial governments are doing by saying we are not doing it, and is going to report back to the executive director by the end of June on this subject.

Mr. MANZULLO. Is it possible we could have copies of that report

circulated to the Members?

Mr. BERMAN. Especially if they will give it to me, I will definitely do that.

OK. Anything else? Can we move on?

We are striking the promotion language on the senior foreign service.

Is that what this second to last amendment does, Eric? [The information follows:]

AMENDMENT TO THE SUBCOMMITTEE PRINT OFFERED BY MR. BERMAN

Page 60, strike lines 8 through 24.

Mr. GORDON. Yes.

Mr. BERMAN. Then the final amendment of the en bloc allows USIA to be reimbursed by the U.N. and other international organizations.

[The information follows:]

AMENDMENT TO THE SUBCOMMITTEE PRINT OFFERED BY MR. BERMAN

Page 101, line 1, insert ", or international organization of which the United States is a member,".

Mr. BERMAN. The en bloc amendment is before us.

Is there any discussion?

It is without the second amendment on travel.

Mr. Menendez.

Mr. MENENDEZ. I have an amendment that I believe the Chair knows about, and it has been distributed to the other Members in their package.

Would that be appropriate after this en bloc vote? It deals with

U.S. citizens who are victims of war crimes.

Would that be appropriate after your en bloc amendment?

Mr. BERMAN. Yes. Unless there are huge numbers of amendments, it would be my intention just to allow amendments to be offered as individuals are recognized and to discuss them after we finish with the en bloc amendment, rather than go section-by-section on the bill.

All right. If there is no objection, all those in the favor, say aye. Opposed.

The en bloc amendment is adopted.

Let me recognize Mr. Faleomavaega, then Mr. Menendez, and then a couple of folks on this side. And when we get to those couple of issues, we will deal with them.

Mr. FALEOMAVAEGA. Mr. Chairman, I have an amendment I

would like report for the record.

Mr. BERMAN. The clerk will report the amendment.

The CLERK. "Page 194, after line 19, insert the following: Section

244. Educational and Cultural Exchanges With Tibet.

The Director of the U.S. Information Agency shall establish programs of educational and cultural exchange between the United States and the people of Tibet. Such programs shall include opportunities for training and, as the Director considers appropriate, may include the assignment of personnel and resources abroad."

[The information follows:]

AMENDMENT TO THE SUBCOMMITTEE PRINT OFFERED BY MR. FALEOMAVAEGA

Page 104, after line 19, insert the following:

## SEC. 244. EDUCATIONAL AND CULTURAL EXCHANGES WITH TIBET.

The Director of the United States Information Agency shall establish programs of educational and cultural exchange between the United States and the people of Tibet. Such programs shall include opportunities for training and, as the Director considers appropriate, may include the assignment of personnel and resources abroad.

Mr. BERMAN. I am going to recognize you to explain your amend-

Mr. FALEOMAVAEGA. Mr. Chairman, we, as well as the rest of the world know about the problems in Tibet since its annexation by the People's Republic of China in 1949. I will not belabor the obvious human rights issues that have been involved for decades.

However, the recent massive transfers of Chinese Han people into Tibet threatens to overwhelm the ethnic Tibetan people and

their native culture.

Despite the Chinese Government's claim that the population transfers are part of their sovereign right to bring development to a rural provincial slum, I, as well as other Members, see the move

as a cause for concern.

The United States presently operates five USIA offices in China, as well as an office in Hong Kong and Taiwan, but nothing in Tibet. The amendment before the committee, by directing the USIA to establish programs facilitating improvement in cross-cultural ties and understanding between the people of Tibet and the United States, would ensure that resources are properly devoted to addressing the concerns of the people of Tibet.

At a time when China's MFN status is being hotly debated and the human rights violations are at the center, I would hope that Beijing would welcome this opportunity to defuse, in part, the issue of Tibet by supporting greater dialogue, communication and ex-

changes between the people of Tibet and our country.

I would urge my colleagues on the committee to adopt this

amendment.

Mr. BERMAN. Anybody else wish to speak to this amendment?

Ms. SNOWE. Mr. Chairman, I commend the gentleman for his amendment. I think it is certainly appropriate.

Would this be within the existing authorized levels for the ex-

change program?

Mr. FALEOMAVAEGA. Yes, it is. Ms. SNOWE. It is. Very good.

Mr. BERMAN. All right. Any further debate.

Again, I join Ms. Snowe in commending the gentleman for this amendment.

All those in favor, say aye.

Opposed.

Ayes have it. The amendment is adopted.

Mr. Menendez for an amendment. Mr. BERMAN. The clerk will report.

The CLERK. The amendment offered by Mr. Menendez is a sense

of Congress amendment.

"It is the sense of Congress that: The national interests of the United States require the presence abroad of its citizens.

"Conditions in many parts of the world present dangers to their

safety and security."

Mr. BERMAN. You want to hear it read?

OK. Unanimous consent that the reading of the amendment be dispensed with.

The information follows:

### AMENDMENT OFFERED BY MR. MENENDEZ

It is the sense of the Congress that

The national interests of the U.S. require the presence abroad of its citizens. Conditions in many parts of the world present dangers to their safety and secu-

rity.

The protection of U.S. citizens abroad depends on their enjoying full access to U.S. courts for remedies for egregious violations by foreign governments of their human rights, and particularly for war crimes and crimes against humanity committed against them.

The Congress hereby declares that the conduct of the Government of Germany in using slave labor during the period 1939 to 1945 constituted the acts of outlaw state, and an abrogation of treaty obligations under the Haig Convention on the

Conduct of WAR on LAND of 1907.

Therefore U.S. citizens who were victims of war crimes and crimes against humanity committed by the Government of Germany during the period 1939 and 1945 should have remedies against that government in the U.S. courts for damages for personal injury or property damages or loss.

Mr. BERMAN. OK. The amendment is in front of us.

I recognize Mr. Menendez to speak on behalf of his amendment.

Mr. MENENDEZ. Thank you, Mr. Chairman.

This amendment comes by way of another colleague who advised of the situation, a New Jersey resident. But it may affect others. An individual, who he and his family were U.S. citizens and residents in Europe at the outbreak of the Second World War. Princz was his name. He was arrested by the German Government 90 days after the bombing of Pearl Harbor because they were a Jewish family.

The Government of Germany failed to return them to the United States. Instead they were sent to concentration camps where the plaintiff's father, his mother, and sister eventually died. Princz and his two younger brothers were sent to Auschwitz as slave labor.

There they were forced to watch the intentional starving to death of his two American brothers. He is the sole survivor of his family, and he was transferred to Dachau. Ultimately, when U.S. forces liberated the location and saw his nationality stamped on his jersey, he ended up being sent to a military hospital which ended up saving his life. But his attempts to seek—as we all know, the German Government's established a reparations program for survivors. His attempts to seek benefits under that reparation program was denied simply because he was a U.S. national at the time.

And so what we are offering, Mr. Chairman, is a sense of the Congress that U.S. citizens who were victims of war crimes and crimes against humanity committed by the Government of Germany during the period of 1939 to 1945 should have remedies against that government in the U.S. courts for damages, for per-

sonal injuries, or property damages.

So I would like to move that amendment.

Mr. HYDE. Could we hear from the State Department on this?

Anybody here?

Anybody not here from the State Department?

Ms. CARLSON. We have never seen it until now, but I would—Mr. BERMAN. It has never stopped other lawyers from commenting.

Ms. CARLSON. It is a sense of the Congress, so it would not be—as a sense of the Congress, it would be a recommendation, but not

a requirement.

Mr. HYDE. Yes. But there are policy implications. I don't know the dimensions. Doesn't it belong before the Judiciary Committee or sequentially referred?

I just don't know. But we are—have you seen this before?

Ms. CARLSON. No. No.

Mr. HYDE. I superficially have no objection to it, but I just wonder—

Mr. BERMAN. Could I speak a little bit about this?

This is being suggested by Mr. Pallone. And I had discussions with Mr. Pallone. It is a very unique and interesting and distressing situation; the different treaties and German laws excluded somebody because they were U.S. citizen.

By virtue of that, they were excluded from the reparations payments. You have an issue in the Foreign Sovereign Immunities Act

which is a judiciary committee—

Mr. HYDE. Have you studied this? Are you for this?

Mr. BERMAN. I am for it.

Mr. HYDE. That is fine. Just so somebody looked at it. It just looked a little different.

Mr. MENENDEZ. Mr. Chairman, if I may?

Mr. BERMAN. Mr. Menendez.

Mr. MENENDEZ. Mr. Pallone, who has the original interest of this, checked with Mazzoli, under whose jurisdiction it would have fallen; and my understanding is that he actually wanted much more than a sense of Congress. He wanted actually some statutory language. This is his compromise in order to accomplish that goal.

Mr. BERMAN. If there is no further detail, all those in favor, say

aye.

Opposed.

The ayes have it. The amendment is adopted.

Apart from the issues of public broadcasting or Free Trade in

Ideas, are there any other amendments?

I only say that because we have a vote on the floor, and I don't want to get into-if I could offer on behalf of Mr. Andrews an amendment dealing with a report on terrorist assets in the United States.

The clerk will read the amendment.

The CLERK. The amendment to the subcommittee print prepared by Mr. Andrews of New Jersey.
"Page 86, after line 24 insert the following new section:

"Section 193. Report On Terrorist Assets In The United States. "Section 304(a) of the Foreign Relations-

Ms. SNOWE. Mr. Chairman, I ask for unanimous consent that the

reading be dispensed with.

Mr. BERMAN. This is self explanatory. The amendment has been moved.

The information follows:

AMENDMENT TO THE SUBCOMMITTEE PRINT OFFERED BY MR. ANDREWS OF NEW JERSEY

Page 86, after line 24, insert the following new section:

# SEC. 193. REPORT ON TERRORIST ASSETS IN THE UNITED STATES.

Section 304(a) of the Foreign Relations Authorization Act, Fiscal Years 1992 and

(1) by striking "Treasury" and inserting "Treasury, in consultation with the Attorney General and appropriate investigative agencies,"; and (2) by inserting at the end "Each such report shall provide a detailed list and description of specific assets."

Mr. BERMAN. Any debate?

If not, all those in favor, say aye.

Opposed, no.

The amendment is adopted.

Any further amendments, either on the subject of-in that case what I would like to do is recess the subcommittee, ask everyone if they could come back after this vote. I assume it is one vote. We

will all go to the floor, and we can come back.

And if could we just accept by unanimous consent that all of the sections, other than the parts dealing with public broadcasting and the free trade ideas sections of the bills, are closed for amendments so that we can sort of not stream on endlessly; and then we will come back, finish that up, and deal with the bill.

Recess.

Mr. BERMAN. We will reconvene the subcommittee.

I will take up my amendment first, which is the second of the amendments that were formerly in the en bloc amendment. And you all have a copy of the en bloc amendment, so if you just refer to the second amendment:

"Page 122, strike out line 1 and all that follows through line 11

on page 125.

[The information follows:]

AMENDMENT TO THE SUBCOMMITTEE PRINT OFFERED BY MR. BERMAN Page 122, strike line 1 and all that follows through line 11 on page 125.

Mr. BERMAN. This amendment would strike out those sections prohibiting currency, the imposition of currency restrictions on travel to—under the Trading with the Enemy Act and the International Economic Emergency Powers Act.

Is there any discussion of the amendment?

If not, all those in favor, say aye.

Opposed.

The aves have it. The amendment is adopted.

Are there further amendments?

Mr. DIAZ-BALART. I have some amendments, Mr. Chairman.

Mr. BERMAN. Is this a series of amendments or one amendment?

Mr. DIAZ-BALART. A couple of amendments.

Mr. BERMAN. Will the clerk distribute your offering?

Mr. DIAZ-BALART. The one I would like to offer, Mr. Chairmanand let me preface very briefly the amendment being offered by saying that I thank you for your willingness to discuss these issues on a bipartisan basis and your willingness to continue to discuss

I certainly commit to you that whatever happens here with my amendments, that I look forward to further discussions in the spirit of bipartisanship and of genuine leadership that you have al-

ready demonstrated.

Mr. Chairman, I have serious problems—a number of serious problems with the section in the bill which is referred to as the Free Trade in Ideas Act. We have discussed some of those problems at length and really insufficiently in the sense that obviously we need to have some very detailed discussions, after having seen finally what the chairman brought forth today in his proposed bill.

My amendment that I would like to bring up at this point would delete, in effect, the Free Trade in Ideas portion of this bill. There are a number of ideas—and I refer to the Treasury—a number of serious problems that I have due to the Treasury Department comments that are before me that I obviously had those concerns about, but they have been reiterated now and made even clearer after seeing this language.

The problem is with, among others, the sweeping language of this section which would allow unlimited hard currency transactions with nations that are targeted in our laws due to either being terrorist nations or other countries facing our embargoes.

This section would allow unlimited hard currency transactions with target countries, production of film or broadcast entertainment, software development, and other informational materials. It would reverse telecommunications and other provisions very recently passed in the Cuban Democracy Act. It would make enforcement of many other sanctions, prohibitions more difficult. It would require the President to allow travel, even though that is taken out incidental to-there is still a section that allows for travel incidental to the exchange of information and related transactions to these countries, and media transactions, including travel promotion and

related bank transactions, even with enemy countries in wartime.

There are serious problems, Mr. Chairman, with this. And so what I would do is request at this point that the discussion and consideration of my amendment which would simply delete the lan-

guage which is known as the Free Trade in Ideas Act part.

# [The information follows:]

AMENDMENT TO THE SUBCOMMITTEE PRINT OFFERED BY MR. DIAZ-BALART Page 116, strike line 21 and all that follows through line 23 on page 130.

Mr. BERMAN. Well, I will recognize myself to speak against the amendment and urge the subcommittee not to adopt the amendment.

I am deeply sorry that the gentleman is making this amendment. His amendment is not focused on even the specific issues that he has raised. He is seeking to delete every provision in this section.

My assumption is-are you simply deleting sections? Let's estab-

lish that for 1 second.

You are deleting on page 116, line 21-

Mr. DIAZ-BALART. Right. On page 116 it would be striking line

21 and all that follows through line 23 on page 130.

Mr. BERMAN. You are deleting every aspect of this, not simply concerning the Trading with the Enemy Act, but also on the International Emergency Economic Powers Act.

This amendment strikes out a number of provisions which the gentleman did not make any reference to. I want to give the subcommittee a little bit of historical background here, if I might.

For a number of years now, I have had a piece of legislation called the Free Trade in Ideas Act. It contained a number of different provisions. It dealt with the issue of travel, with the exchange of information, with agreements which allowed the Federal Government to decide what would be eligible for duty-free treatment under the Beirut Agreement. Where they agreed with the material or found it sufficiently neutral, according to their definitions, they would call it educational, and where they didn't like particularly the values expressed in it, they would withhold that

It dealt with the stamping of imported films as propaganda. It dealt with a number of provisions that I felt interfered with the fundamental constitutional right of American citizens to receive

and provide information and to travel.

The Helsinki Accords, the agreement which laid the foundation, at least the conceptual foundation, for what has become the most incredible historical event that I witnessed in my lifetime, that is the dissolution of the totalitarian regimes throughout the Soviet Union and Eastern Europe, was greatly assisted by virtue of recognizing this fundamental right of people to travel.

This is what people went to prison for and fought for in those countries. This was a fundamental part of the whole dissident movement that struck up in these countries. It is so ironic to me that the countries that left communism were the countries where we never sought to impose travel embargoes or embargoes on the transfer of this kind of information; where our policies were consistent with our own professed adherence to the Helsinki Accords. It is in those countries where the totalitarian regimes have dis-

The gentleman knows—and I think my record is quite clear—on the Castro regime. I supported the Torricelli bill last year, helped the author, ended up being part of the crucial block of votes that allowed that bill to pass on the suspension calendar last year.

No part of what I am doing is out of the belief that this should be part of a fundamental shift in policy toward Cuba. I do not touch the fundamental nature of the economic embargo. What I seek to do is to divorce the exchange of information services from the economic embargo, because I believe that is where it doesn't

serve our purposes.

I believe that information exchanges, and travel, for that matter—although I have removed the free travel provisions from this bill—are a fundamental part of privately inspired, public diplomacy, which allows contacts and relations to be established to plant the seeds of democracy and dissent within this totalitarian society where they seek to control. It is the very same principles that caused us to fund Radio Marti and TV Marti to bring independent words to Cuba, but in a different kind of a fashion.

I have received an invitation to "Una Noche Para Cuba Libre."

I have received an invitation to "Una Noche Para Cuba Libre." How is that pronunciation-wise? "A night For Free Cuba. You are cordially invited to attend a night for free Cuba featuring the tastes, sights, and sounds of the Cuban people honoring Jorge Mas and the Cuban American National Foundation", here in Washing-

ton.

It was two nights ago, so I missed it. But on the bottom it says, "We need to keep the all—important radio broadcasts and free flow of information to encourage the Cuban people. Help prepare now for a free Cuba!" It is the free flow of information which the

amendment is directed against.

We know that—we know that this can be a positive part of a proactive series of activities, diplomatic and economic, that will change this regime and will remove this regime. We are talking about the ability to get the New York Times into Cuba. We are talking about the ability for scholars to go to Cuba. We are talking about exchange of books and the kinds of things on which—in

which ideas are transmitted.

And the Office of Foreign Assets Control has not had a clear position on this. Some piece of paper where they ordered an analysis—I haven't had a chance to read yet—was leaked out of their office and provided to certain people. And the gentleman knows, to the extent some aspect of these provisions is overly broad, not tight enough, that between now and the full committee, I am prepared to work with him to tighten it. I am prepared to support with the gentleman defending the authorization and the appropriation of funds for the television and radios to Cuba. I have demonstrated this in the past consistently through my record.

And what I am sorry about is rather than take the course of giving us 2 weeks to try and work out the language, he raises some specific concerns. But his amendment doesn't track those concerns. It is total, and completely wipes out every aspect of this, most of

which are technical clarifications of current law.

I think my record here has demonstrated that I keep my word. I am prepared to sit down with the gentleman from Florida and the other concerned people and work out acceptable language. And I would hope that the amendment would be defeated.

If there is anybody else who wishes to speak on the subject—there are some other points I want to make, but I want to just

gather some other facts.

Does anybody else wish to speak on this issue?

Mr. Menendez.

Mr. MENENDEZ. Mr. Chairman, first of all, let me thank you for your willingness in the last 2 days since this really became an issue to spend a lot of time in trying to reconcile the concerns that not only Mr. Diaz-Balart has, but I have.

And I, for one, do not oppose your overall introduction of the Free Trade in Ideas Act. However, there is language which, considering the timeframe that we are working in, does not, in my opinion, still

hone down to the extent that I would like to see.

The concerns that I have is, and ultimately, not the question of free flow of information for which I agree with you can be a powerful tool, but the corresponding flow of capital, of money. And since I am being recorded in the back here by the Cuban Government, let me just say that in fact, it is the money that would continue to prop up the Castro Government and would continue, in fact, to permit the oppression of the 10 million people who are on the island, who, despite the history of receiving \$6 billion a year from what was the Soviet Union, instead of using that money for the people of Cuba, used it to export to Angola and Central and South America and other places.

I know that is not your intention in this bill. I know that your intention is to provide for the free flow of information. But as an example of what I am saying, there is a section, for example, that would permit financial or other transactions for travel incidents to public exhibitions or performances by the nationals of one country

and another country.

I would hate to see that we would have here a performance in the Kennedy Center that would raise an incredible amount of money for the Cuban Government, only to continue to use those resources. I believe, based on my conversation with you, that that is

not your intention either.

So I would hope that we will have an opportunity to refine the language. I appreciate you took up the travel issue; that is a major concern for you overall in your bill, and your willingness to do that. But there are still language items which I know that I have brought to your attention that I am concerned about as we move forward in the process.

Mr. BERMAN, Yes.

Mr. Lantos.

Mr. Lantos. Let me first say I have the highest regard for my good friend and colleague, the distinguished chairman of the subcommittee; and I think the general thrust of his proposal is praise worthy and constructive.

There is no more effective way of dealing with a Communist totalitarian regime than to let the winds of free information and

ideas penetrate those societies.

But I do have some concern that while it is not so intended, as it is currently phrased, the legislation might open up commercial benefits for Castro's Cuba, which I personally would strongly and vigorously oppose.

Since we have some time between now and the time that the full committee will deal with this legislation, may I suggest to my friend from Florida that he withdraw his amendment with the understanding that in the intervening period, the chairman and he, Mr. Menendez, and myself, and any other Member of the subcommittee who is particularly concerned with this issue, work out language which will prove to be satisfactory to both the chairman, the gentleman from Florida, and to the rest of us?

Mr. BERMAN. Well, if I may just comment, and then I will recog-

nize the gentleman from Florida.

I very much appreciate the gentleman from California's remarks. No one has more credentials in trying to push America into a

strong and coherent policy against totalitarian regimes.

Let me say on the issue of money, I understand that. I have always understood that. I always thought the issue of tourism travel, as opposed to travel to make contacts or for other kinds of specified purposes, and the foreign currency that it might provide, was the most problematic aspect of a total opening of travel.

And in fact, in the travel amendment which we have now taken out, we excluded that kind of tourist travel from the amendment. We must make a distinction here between minor de minimis trans-

fers of funds.

Somebody in the United States subscribes to a Cuban paper, and a small amount of money is transferred, versus serious transfers of funds which undermine the efficacy of the economic embargo. Mr. Menendez made the point, and I have to consider to what extent does my amendment allow some kind of blockbuster tour that raises millions of dollars from someone who, when the money gets back to Cuba, that person won't even be able to keep, because of the way that system works.

And I guess what I am really asking and sort of echoing the sentiments of Mr. Lantos is give us a chance to go through this with you. You have raised some specific issues, but your amendment is broad brush. Give us a chance to offer to work out a language, and in full committee—let me tell you, if in full committee we haven't been able to do something that tightens and works this out to the general satisfaction of everyone of a broad consensus of the com-

mittee, it is not going to last anyway.

I mean it is going to get worked out. That is my request. I just give a little history of the background. Remember, most of the provisions in this Free Trade in Ideas Act, now that we have taken out the travel section, simply deal with clarifications of a provision that was put in on a bipartisan basis into the 1988 omnibus trade bill by an amendment that I offered which was included by the full committee and then adopted by the House as a whole, and was signed by President Reagan, which established the principle of free flow of information.

There have been some decisions by the Office of Foreign Assets Control, which I think very clearly misinterpreted the provisions of that amendment. I mean much information has gone back and forth since that amendment passed, but in some cases they have misconstrued it. Federal district courts have overruled their deci-

sions.

Many of these provisions are an effort to codify those district court positions so that the Office of Foreign Assets Control won't make that mistake. I don't think the gentleman from Florida will have a major disagreement with those efforts. But his amendment wipes out those clarifications.

So I would like to recognize the gentleman from Florida for any

comments that he wanted to make, or the ranking Member.

Ms. SNOWE. Mr. Chairman, I think it is understandable why there would be some serious concerns about these provisions. And even though you have removed the travel section regarding your positions, nevertheless, it is beyond, in some instances even codification.

Now, even the administration is substantially opposed to this legislation. And I think the reverse ought to be true, that these provisions should be removed from the legislation until we canwe are better equipped to understand the ramifications and the implications with respect to Cuba, Vietnam, North Korea, and as I

understand it, Libya, and Serbia.

I think that these are serious issues that ought to be addressed in a more prudent fashion, that we have a chance to have all of the information before us as committee Members, understand the ramifications; and I think it is just interesting to note that even the administration is strongly opposed to these provisions.

Mr. BERMAN. Oh, no. That is not a correct statement.

Ms. SNOWE. It isn't a correct statement?

Mr. BERMAN. No. The administration has asked-

Ms. SNOWE. Now they are strongly in support of these provisions?

Mr. BERMAN. No. Here is the administration.

Ms. Donovan. I am Meg Donovan with the Department of State. The administration does not yet have a formal position on Mr. Berman's legislation.

Ms. SNOWE. On all of it? Even the travel?

Mr. DIAZ-BALART. Who is the boss, Mr. Chairman, for the administration? The President has made statements saying—last Thursday, the President made a statement, where I was present, saying that he fully supports the Cuban Democracy Act. The President has reiterated that.

Are you saying now that there is uncertainty with regard to the

President's position?

Ms. DONOVAN. Not at all, sir.

Mr. DIAZ-BALART. Mr. Chairman, if I may close at the appropriate time.

Ms. Snowe. Well, I guess I am really mystified now. Ms. Donovan. Can I provide you with a status report?

The Office of Management and Budget has sought the views of the various agencies that are involved and affected by this particular legislation. That includes the Commerce Department, the Treasury Department, USIA, State Department, the Justice Department, the National Security Council, and I may be missing one or two others. And they do yet have a formal administration position on it. We have been working very hard to try to get with the chairman-

Ms. SNOWE. A unified position-

Ms. DONOVAN. An organization position, yes. Before your full committee markup, and we look forward to working-

Mr. LANTOS, Mr. Chairman.

Mr. BERMAN. Mr. Lantos. Ms. SNOWE. Wait a minute.

Mr. BERMAN. I am sorry. Ms. Snow still has the floor.

Ms. SNOWE. Well, I guess we have a contradiction here, because according to our information, all departments, State, Commerce, USIA, Treasury have provided their views. All are opposed, and OMB is consolidating these views.

Ms. DONOVAN. Ms. Snow, I spoke with the Office of Management and Budget this morning on this issue. We do not yet have an orga-

nization position on it. That is the definitive statement.

Ms. SNOWE. Well, I guess I would be absolutely amazed that the administration would support those—that position, even on travel?

Mr. BERMAN. The travel provision is not in the bill.

Ms. SNOWE. No. But it was in the bill, and she talked to OMB

this morning.

Mr. BERMAN. But the travel position provision is not in the bill. My intent to take out the travel provision was made clear yester-

day evening.

President Ronald Reagan is the one who signed the bill declaring information services exempt from the economic embargo. This bill does not repeal the Torricelli law, and everyone knows that it doesn't. There is an argument on the edge of it with respect to telecommunications which we will work on and seek to clarify, and—

Ms. SNOWE. Mr. Chairman, would you yield on that point?

Mr. BERMAN. Sure.

Ms. SNOWE. Because I think the issue is—you may be convinced of that, but it is very difficult for us to be convinced of that, because there is no information before this committee that would suggest otherwise. We have nothing to go on.

Mr. BERMAN. What do you mean?

Ms. Snowe. We are taking—and I understand—your word for it. But the fact is we haven't seen the regulations—you are talking about codifying those regulations, clarifying those regulations. But they may be beyond—this language may be beyond innocuous language in terms of its actual impact and the message that it sends.

So I think it is important for us, in order to be comfortable, even with the exchange of information to understand is it, in fact, clarification of existing regulations, or is it going beyond and expanding

the scope?

I couldn't tell you that. And I can understand the concern that has been expressed by the gentleman from Florida, certainly with his concerns about it. And so, therefore, we have to have more information on a whole section that we have not yet had a chance to review.

And I know you—and I had a conversation about it the other day—but that was the first conversation with respect to those issues. So I think it is important we get the kind of information so that we have a full understanding of what we are talking about.

Mr. LANTOS. Will the gentlewoman yield?

Mr. BERMAN. I will recognize the gentleman from California, and

then we will close with the gentleman from Florida.

Mr. LANTOS. I would merely like to followup on my good friend's comments. Obviously, some information is lacking. And I think it

is very important that we do not make this a partisan issue. It

should not be a partisan issue.

I would like to tell my friends on the other side with great respect that it will be mandatory for you to get some of us on the majority side to vote with you if you are to prevail. Some of us may well wish to vote with you if, in fact, this process, which I suggested, whereby the chairman and the gentleman from Florida and others would be unsuccessful in working out a mutually satisfactory language.

I am convinced, knowing Chairman Berman, that such language will be worked out and we will be able to reach a united position

at the full committee markup.

Under those circumstances, I would again request my good friend from Florida to withdraw his amendment at this stage as an indi-

cation of good faith.

I am happy to join you and the chairman and others to try to work out language that will be acceptable to all of us. But I think it is important for you folks to understand that if you press the vote now, you will lose. You have an opportunity of winning if, in fact, no satisfactory language can be obtained and some of us on the majority side feel that you have the better of the argument.

So it seems to me that both pragmatic and collegial considerations suggest that at this stage withdraw of the amendment

would be called for.

Mr. DIAZ-BALART. May I close?

Mr. BERMAN. The gentleman from Florida.

Mr. DIAZ-BALART. Mr. Chairman, I am placed in a very difficult position, because I want to make very clear that I have great respect for the chairman and that I have no more respect for any Member of this Congress than for Congressman Lantos, who asks

me to withdraw this.

I want to be very clear that I have asked the chairman, with the view and intent to be able to fine tune the language with regard to the legislation that is before us, that even—especially since we don't have even a formal, final position from the administration, even though we have every reason to believe that every department has already provided their views, and they are being consolidated at OMB, that I have asked the chairman to please not ask for a vote on this now, because if I am to withdraw this amendment, Mr. Chairman, it would simply require me to ask for a negative roll call, in other words, in opposition on final passage, which is due to the fact that this is a critically important issue to my constituency, that I see here from the Treasury Department.

And apparently this informal process that is going on—and yet this is on the record, this is in writing—very serious allegations with regard to the sweeping language of this section of the legisla-

tion.

So I—either—if I am to withdraw the amendment, then very simply I would ask for a negative vote on final passage, Mr. Chairman

In other words, I will withdraw my amendment and I would ask for a roll call on final passage then. I hope Congressman Lantos understands that this is a critical issue for me, very important. And I want to be-I know you are being reasonable, and I want

to discuss the issue with the chairman.

Mr. BERMAN. My preference would be that you vote no on final passage on the grounds that your concerns are not accommodated but you give me the chance between now and full committee in the way expressed by Mr. Lantos, if you feel you have to vote no on final passage, I understand, because you aren't yet happy.

Mr. DIAZ-BALART. Due to these very serious questions, Mr.

Chairman, I withdraw my amendment.

And due to the very serious situations, the elimination of the advisory board on broadcast to Cuba, tying the President's hands with a regard to exercising emergency authorities against foreign target countries or nationals, all these other issues, I ask for a roll call on final passage on this bill.

Mr. BERMAN. All right.

Is there any other amendment before the subcommittee?

Mr. LEVY. Mr. Chairman, I just wanted to, for the record, state that I had come in tonight prepared to offer an amendment which

would repeal proposed section 217 of the bill.

That is the section that proposes to repeal the Board for International Broadcasting. With an interagency task force currently studying the entire structure of our international broadcast operations, it seemed to me that it is inappropriate for the House of Representatives to preempt that study by taking such an action. I continue to feel that way.

In our conversation, for the record, you had indicated to me that you expect that prior to this bill coming before the full committee, you would expect to have some report from the interagency task

force. So I will not make the amendment at this time.

However, I would reserve the right, without prejudice, to offer it before the full committee if, in fact, we do not have a report from the interagency task force by that time or if, in fact, the interagency task force has reported and does not recommend the elimination of the Board for International Broadcasting.

Mr. BERMAN. That right will be protected. I very much appreciate the gentleman's acceptance of my representations; and we will work together between now and full committee. And I think we will have some serious proposals to consider at this particular time.

There being no further amendments, is there a motion to rec-

ommend that the bill be passed?

Mr. DIAZ-BALART. I ask for a roll call, Mr. Chairman. I ask for a roll call on this vote.

Mr. BERMAN. Let me ask the clerk for a parliamentary ruling.

Are we able to open the rolls now? Are we able to open the roll, and keep it open until after this vote?

The CLERK. Yes, sir.
Mr. BERMAN. All right.
The clerk will call the roll.

The CLERK. Berman. Mr. BERMAN. Aye.

The CLERK. Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Aye. The CLERK. Mr. Martinez.

Mr. MARTINEZ. Aye.

The CLERK, Mr. Andrews.

[No response.]

The CLERK, Mr. Menendez.

Mr. MENENDEZ. No.

The CLERK. Mr. Lantos.

Mr. Lantos. Aye.

The CLERK. Mr. Johnston.

Mr. JOHNSTON. Aye.

The CLERK. Mr. Edwards.

Mr. EDWARDS. Aye.

The CLERK. Ms. Snowe. Mr. HYDE. No by proxy.

The CLERK, Mr. Diaz-Balart.

Mr. DIAZ-BALART. No.

The CLERK. Mr. Levy.

Mr. LEVEY. No.

The CLERK. Mr. Manzullo.

Mr. MANZULLO, No.

The CLERK. Mr. Chairman, at this point in the vote-

Mr. BERMAN. I have Mr. Andrews' proxy.

The CLERK. OK. Mr. Andrews.

Mr. BERMAN. I will cast Andrews vote by proxy, and then declare the bill passed.

Mr. Andrews votes aye by proxy.

The bill passes seven to six.

Thank you very much.

[Whereupon, at 5:25 p.m., the subcommittee was adjourned.]



### APPENDIX

OPENING STATEMENT OF HON. HOWARD L. BERMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

I am pleased to call to order this meeting of the Subcommittee on International Operations. We meet today for the purpose of marking up the Department of State and Related Agencies Authorization Act for fiscal years 1994 and 1995.

Members will find in their folders a copy of a draft bill, from which we will work. A copy of the administration's request is also included in each folder, and a

spreadsheet summarizing the proposed authorization levels.

The centerpiece of the draft bill, in my opinion, is its provision for organizational flexibility. For the State Department, the bill as drafted provides a degree of organizational and managerial flexibility virtually unmatched among cabinet agencies. It authorizes all subcabinet appointments the Department has requested, and allows the Secretary to shuffle and reshuffle positions, bureaus and offices in any way he sees fit. With rare exceptions, the bill would repeal all statutory "micromanagerial" provisions which preserve existing positions and organizations at State. It evidences our trust in the new administration to "do the right thing" on policy issues of impor-

Among major policy issues, the draft bill contains both the "Free Trade in Ideas Act" and the "ACDA Revitalization Act". Neither was requested by the administration. Both are important policy initiatives, long overdue. ACDA has played a vital role in pursuit of important national objectives in arms control and disarmament. With the end of the cold war, ACDA's mission is no less important. We must assure that the major arms control agreements of the past 5 years are implemented, even as we refocus our efforts to deal with the challenge of conventional and unconventional weapons proliferation.

The "ACDA Revitalization Act" is virtually identical in substance to H.R. 2155, which Congressman Lantos and I introduced last week. I understand that this bill will be marked up in the International Security Subcommittee immediately on our return from the Memorial Day break, so that we can deal definitively with this issue

at full committee markup.

The draft bill also includes full funding for a U.S. contribution to UNESCO, with-

out an administration request.

In budget terms, as was the case when we reported out our last biennial authorization bill in 1991, we have adhered, in our authorization levels, to the limitations and assumptions of the recently passed budget resolution. This means that my chairman's mark in this case offsets every add-on with a corresponding cut. This is simply a reflection of the reality that the days are long gone when we could add things to authorization requests without showing the appropriations committee how

we intend to pay for them.

More specifically, the bill makes significant budgetary and personnel reductions in bureaucracy, so as to preserve essential programs. The bill would constrain the Foreign Service bureaucracy in the one area in which abuses have become egregious: Personnel. The Senior Foreign Service has now grown to historic highs, out of all proportion to genuine need. AID and USIA have similar problems. State's Washington bureaucracy has exploded in the last decade. The bill seeks to halt and reverse this process. It includes statutory personnel ceilings similar to those enacted in annual Defense Authorization Acts.

Included in the bill is my legislation—The International Broadcasting Act of 1993—which I introduced in March with the intent of providing a broad and flexible outline for our broadcast services as we work to restructure their mission and orga-

nization.

An administration working group is currently developing detailed proposals for submission to the President. I understand from USIA Director Duffey and BIB Chairman Micah that they are in the final stages of drafting a plan that can be endorsed by the broad range of those with an interest in the future of broadcasting. For this reason. I will be asking my colleagues to defer amendments on this issue until full committee markup where I anticipate that we will have—for consideration—an administration proposal.

We will proceed shortly with a preliminary walk-through of the draft bill by staff, and then go on to the offering of amendments title-by-title. Before doing so, I would yield to my ranking Republican, Ms. Snowe, and thank her for her help in develop-ing what I believe is largely a bipartisan product.

### SUBCOMMITTEE PRINT

May 25, 1993

103D CONGRESS 1ST SESSION

H.R.

#### IN THE HOUSE OF REPRESENTATIVES

Mr. BERMAN introduced the following bill; which was referred to the Committee on

# A BILL

To authorize appropriations for fiscal years 1994 and 1995 for the Department of State, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.
- 4 (a) SHORT TITLE.—This Act may be cited as the
- 5 "State Department, USIA, and Related Agencies Author-
- 6 ization Act, Fiscal Years 1994 and 1995".
- 7 (b) TABLE OF CONTENTS.—

Sec. 1. Short title and table of contents.

#### TITLE I-DEPARTMENT OF STATE AND RELATED AGENCIES

#### PART A-ACTHORIZATION OF APPROPRIATIONS

Sec. 101. Administration of foreign affairs.

Sec. 102. Agency for International Development operating expenses.

Sec. 103. International organizations, programs, and conferences.

Sec. 104. International commissions.

Sec. 105. Migration and refugee assistance.

Sec. 106. Other programs.

Sec. 107. United States Arms Control and Disarmament Agency.

#### PART B-AUTHORITIES AND ACTIVITIES

Sec. 111. Emergencies in the diplomatic and consular service.

Sec. 112. Transfers and reprogrammings.

Sec. 113. Expenses relating to certain international claims and proceedings.

Sec. 114. Child care facilities at certain posts abroad.

Sec. 115. Notification to Congress of proposed reprogrammings of AID operating expenses.

Sec. 116. Prohibition on discriminatory contracts.

Sec. 117. Anthorized strength of the foreign service.

Sec. 118. Role of the Foreign Service Institute.

Sec. 119. Reporting requirement on American prisoners abroad.

Sec. 120. Consular authorities.

Sec. 121. Requirement for authorization of appropriations for AID.

Sec. 122. Report on consolidation of administrative operations.

Sec. 123. Local guard contracts abroad.

Sec. 124. Visas.

Sec. 125. Consular and diplomatic posts abroad.

Sec. 126. Diplomatic security program.

#### PART C-DEPARTMENT OF STATE ORGANIZATION

Sec. 131. Organizing principles.

Sec. 132. Organization of the Department of State.

Sec. 133. Technical and conforming amendments.

Sec. 134. Director General of the Foreign Service.

#### PART D-PERSONNEL

Sec. 141. Labor-management relations.

Sec. 142. Voluntary retirement incentive program.

Sec. 143. Waiver of limit for certain claims for personal property damage or loss.

Sec. 144. Salaries of chiefs of mission.

Sec. 145. Senior Foreign Service performance pay.

Sec. 146. Reassignment and retirement of former Presidential appointees.

Sec. 147. Limitation on appointments to Senior Foreign Service.

Sec. 148. Report on classification of Senior Foreign Service positions.

Sec. 149. Limitation on number of limited career extensions.

#### PART E-INTERNATIONAL ORGANIZATIONS

Sec. 161. International Atomic Energy Agency safeguards.

Sec. 162. Agreement on State and local taxation of foreign employees of public international organizations.

- Sec. 163. Reform in budget decisionmaking procedures of the United Nations and its specialized agencies.
- Sec. 164. International Boundary and Water Commission.
- Sec. 165. United States membership in the Asian-Pacific Economic Cooperation Organization.

#### PART F-MISCELLANEOUS PROVISIONS

- Sec. 181. Women's human rights protection.
- Sec. 182. Publishing international agreements.
- Sec. 183. Migration and refugee amendments.
- Sec. 184. United Nations Security Council membership.
- Sec. 185. Performance of longshore work by alien crewmen.
- Sec. 186. Interparliamentary exchanges.
- Sec. 187. United States policy concerning overseas assistance to refugees and displaced persons.
- Sec. 188. Transparency in armaments.
- Sec. 189. Form of submission of Javits list.
- Sec. 190. Revitalization of the "Permanent Five" process.
- Sec. 191. Policy on middle east arms sales.
- Sec. 192. Report on the impact of conventional weapons proliferation.

# TITLE II—UNITED STATES INFORMATIONAL, EDUCATIONAL, AND CULTURAL PROGRAMS

#### PART A-AUTHORIZATION OF APPROPRIATIONS

Sec. 201. Authorization of appropriations.

#### PART B-INTERNATIONAL BROADCASTING ACTHORITIES AND ACTIVITIES

- Sec. 211. Short title.
- Sec. 212. Findings and declarations.
- Sec. 213. Standards.
- Sec. 214. Functions.
- Sec. 215. Administration.
- Sec. 216. USIA satellite and television.
- Sec. 217. Repeal of Board for International Broadcasting Act.
- Sec. 218. Conforming amendments.
- Sec. 219. Israel relay station.
- Sec. 220. Requirement for authorization for appropriations.
- Sec. 221. Report on advertising.

#### PART C-USIA AND RELATED AGENCIES AUTHORITIES AND ACTIVITIES

- Sec. 231. Security requirements of USIA.
- Sec. 232. Employment authority.
- Sec. 233. Buying power maintenance account.
- Sec. 234. Contract authority.
- Sec. 235. Appropriations authorities.
- Sec. 236. Funds provided by other sources.
- Sec. 237. Technical amendment.
- Sec. 238. Separate ledger accounts for NED grantees.
- Sec. 239. American studies collection.
- Sec. 240. South Pacific exchange programs.
- Sec. 241. Coordination of United States exchange programs.
- Sec. 242. Limitation concerning participation in international expositions.

#### Sec. 243. Private sector opportunities.

#### PART D-MIKE MANSFIELD FELLOWSHIPS

- Sec. 251. Short title.
- Sec. 252. Establishment of fellowship program.
- Sec. 253. Program requirements.
- Sec. 254. Separation of government personnel during the fellowships.
- Sec. 255. Mansfield fellowship review board.
- Sec. 256. Definitions.

#### PART E-FACILITATION OF PRIVATE SECTOR INITIATIVES

- Sec. 261. Short title.
- Sec. 262. Exchange of information and related transactions.
- Sec. 263. Freedom of travel for United States citizens.
- Sec. 264. Educational, cultural, religious, and scientific activities and exchanges.
- Sec. 265. Establishment of news bureaus.
- Sec. 266. Foreign Assistance Act of 1961.
- Sec. 267. United Nations Participation Act of 1945.
- Sec. 268. Applicability.

#### TITLE III—ARMS CONTROL AND DISARMAMENT AGENCY

- Sec. 301. Purposes
- Sec. 302. ACDA Director.
- Sec. 303. Special Representatives.
- Sec. 304. Negotiations management.
- Sec. 305. Participation of ACDA Director in certain deliberations.
- Sec. 306. Notification to Congress of proposed reprogrammings by ACDA.
- Sec. 307. Requirement for authorization of appropriations.

### TITLE I—DEPARTMENT OF

### 2 STATE AND RELATED AGENCIES

#### 3 PART A—AUTHORIZATION OF APPROPRIATIONS

- 4 SEC. 101. ADMINISTRATION OF FOREIGN AFFAIRS.
- 5 (a) IN GENERAL.—The following amounts are au-
- 6 thorized to be appropriated for the Department of State
- 7 under "Administration of Foreign Affairs" to carry out
- 8 the authorities, functions, duties, and responsibilities in
- 9 the conduct of the foreign affairs of the United States and
- 10 for other purposes authorized by law, including the dip-
- 11 lomatic security program:

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1	(1) DIPLOMATIC AND CONSULAR PROGRAMS.—
2	For "Diplomatic and Consular Programs", of the
3	Department of State \$1,679,000,000 for the fiscal
4	year 1994 and \$1,724,728,000 for the fiscal year
5	1995.
6	(2) SALARIES AND EXPENSES.—For "Salaries
7	and Expenses", of the Department of State
8	\$446,203,000 for the fiscal year 1994 and
9	\$458,250,000 for the fiscal year 1995.
10	(3) Acquisition and maintenance of build-
11	INGS ABROAD.—For "Acquisition and Maintenance
12	of Buildings Abroad", \$406,546,000 for the fiscal
13	year 1994 and \$417,523,000 for the fiscal year
14	1995.
15	(4) BUYING POWER MAINTENANCE FUND.—
16	For "Buying Power Maintenance Fund",
17	44,000,000 for the fiscal year 1994 and $44,104,000$
18	for the fiscal year 1995.
19	(5) REPRESENTATION ALLOWANCES.—For
20	"Representation Allowances", \$4,881,000 for the
21	fiscal year 1994 and \$5,012,000 for the fiscal year
22	1995.
23	(6) EMERGENCIES IN THE DIPLOMATIC AND
24	CONSULAR SERVICE.—For "Emergencies in the Dip-

1	lomatic and Consular Service, \$8,000,000 for the
2	fiscal 1994 and \$8,216,000 for the fiscal year 1995.
3	(7) OFFICE OF THE INSPECTOR GENERAL.—
4	For "Office of the Inspector General", \$24,055,000
5	for the fiscal year 1994 and \$24,704,000 for the fis-
6	cal year 1995.
7	(8) PAYMENT TO THE AMERICAN INSTITUTE IN
8	TAIWAN.—For "Payment to the American Institute
9	in Taiwan", \$15,484,000 for the fiscal year 1994
10	and \$15,902,000 for the fiscal year 1995.
11	(9) PROTECTION OF FOREIGN MISSIONS AND
12	OFFICIALS.—For "Protection of Foreign Missions
13	and Officials", \$10,814,000 for the fiscal year 1994
14	and \$11,095,000 for the fiscal year 1995.
15	(10) REPATRIATION LOANS.—For "Repatri-
16	ation Loans", \$817,000 for the fiscal year 1994 and
17	\$838,000 for the fiscal year 1995, for administrative
18	expenses.
19	(b) LIMITATIONS.—
20	(1) Of the amounts authorized to be appro-
21	priated for "Salaries and Expenses" under sub-
22	section (a)(2)—
23	(A) \$500,000 is authorized to be available
24	for the fiscal year 1994 and \$500,000 for the
25	fiscal year 1995 for the Department of State

1	for the recruitment of Hispanic American stu-
2	dents from United States institutions of higher
3	education with a high percentage enrollment of
4	Hispanic Americans and for the training of
5	Hispanic Americans for careers in the Foreign
6	Service and in international affairs; and
7	(B) not more than \$100,000,000 for each
8	of the fiscal years 1994 and 1995 shall be avail-
9	able for the Bureau of Diplomatic Security.
10	(2) Of the amounts authorized to be appro-
11	priated for "Diplomatic and Consular Programs"
12	under subsection (a)(1), \$10,000,000 is authorized
13	to be available for each of the fiscal years 1994 and
14	1995 for grants, contracts, and other activities to
15	conduct research and promote international coopera-
16	tion on environmental and other scientific issues.
17	(3) Of the amounts authorized to be appro-
18	priated for "Acquisition and Maintenance of Build-
19	ings Abroad under subsection (a)(3) and amounts
20	otherwise authorized to be appropriated, not more
21	than \$40,000,000 shall be available for each of the
22	fiscal years 1994 and 1995 for administration.
23	(4) Of the amounts authorized to be appro-
24	priated for "Diplomatic and Consular Programs"
25	under subsection (a)(1), \$11,500,000 is authorized

1	to be available for fiscal year 1994 and \$11,900,000
2	is authorized to be available for fiscal year 1995,
3	only for administrative expenses associated with the
4	conduct of refugee programs by the Bureau for Ref-
5	ugee Programs, or any successor bureau.
6	SEC. 102. AGENCY FOR INTERNATIONAL DEVELOPMENT
7	OPERATING EXPENSES.
8	(a) AUTHORIZATION OF APPROPRIATIONS.—
9	(1) There are authorized to be appropriated to
10	the President, in addition to funds otherwise avail-
11	able for such purposes—
12	(A) \$ 512,000,000 for the fiscal year 1994
13	and \$526,902,000 for the fiscal year 1995 for
14	necessary operating expenses of the agency pri-
15	marily responsible for administering part I of
16	Public Law 87-195; and
17	(B) such amounts as may be necessary for
18	fiscal year 1994 and fiscal year 1995 for in-
19	creases in salary, pay, retirement, and other
20	employee benefits authorized by law, and for
21	other nondiscretionary costs of the agency pri-
22	marily responsible for administering part I of
23	Public Law 87-195.
24	(2) Effective October 1, 1993, section 667 of
25	Public Law 87-195 (22 U.S.C. 2427) is repealed.

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1	(b) Operating Expenses, Office of the Inspec-
2	TOR GENERAL.—There are authorized to be appropriated
3	to the President, in addition to funds otherwise available
4	for such purposes—
5	(1) \$ 39,916,000 for fiscal year 1994 and
6	\$39,916,000 for fiscal year 1995 for necessary oper-
7	ating expenses of the Office of the Inspector General
8	of the agency primarily responsible for administering
9	part I of Public Law 87-195; and
0	(2) such amounts as may be necessary for in-
1	creases in salary, pay, retirement, and other em-
12	ployee benefits authorized by law, and for other non-
13	discretionary costs of such office.
14	(c) AVAILABILITY OF FUNDS.—Amounts appro-
15	priated under this section are authorized to remain avail-
6	able until expended.
17	(d) TRANSFER OF FUNDS.—The authorities and lim-
8	itations of section 109 of Public Law 87-195 apply to
9	funds authorized to be appropriated under this section.
20	SEC. 103. INTERNATIONAL ORGANIZATIONS, PROGRAMS,
21	AND CONFERENCES, .
22	(a) Assessed Contributions to International

(1) There are authorized to be appropriated for

"Contributions to International Organizations",

23 ORGANIZATIONS.—

24

\$1,033,604 for the fiscal year 1994 and \$1,092,772

for the fiscal year 1995 for the Department of State

to carry out the authorities, functions, duties, and
responsibilities in the conduct of the foreign affairs
of the United States with respect to international organizations and to carry out other authorities in law
consistent with such purposes.

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- (2) Of the amounts authorized to be appropriated under paragraph (1) for fiscal year 1994, not more than \$973,604,000 may be obligated or expended in that fiscal year.
- 12 (b) ASSESSED CONTRIBUTIONS FOR INTERNATIONAL
  13 PEACEKEEPING ACTIVITIES.—There are authorized to be
  14 appropriated for "Contributions for International Peace15 keeping Activities", \$619,736,000 for the fiscal year 1994
  16 and \$636,469,000 for the fiscal year 1995 for the Depart17 ment of State to carry out the authorities, functions, du18 ties, and responsibilities in the conduct of the foreign af19 fairs of the United States with respect to international
  20 peacekeeping activities and to carry out other authorities
  21 in law consistent with such purposes.
- 22 (c) PEACEKEEPING OPERATIONS.—There are author-23 ized to be appropriated for "Peacekeeping Operations", 24 \$77,166,000 for the fiscal year 1994 and \$77,166,000 for

1	the fiscal year 1995 for the Department of State to carry
2	out section 551 of Public Law 87-195.
3	(d) International Conferences and Contin-
4	GENCIES.—There are authorized to be appropriated for
5	"International Conferences and Contingencies",
6	\$6,600,000 for the fiscal year 1994 and $$6,743,000$ for
7	the fiscal year 1995 for the Department of State to carry
8	out the authorities, functions, duties, and responsibilities
9	in the conduct of the foreign affairs of the United States
10	with respect to international conferences and contin-
11	gencies and to carry out other authorities in law consistent
12	with such purposes.
13	(e) International Organizations and Pro-
14	GRAMS.—
15	(1) In general.—There are authorized to be
16	appropriated for the Department of State for "Inter-
17	national Organizations and Programs",
18	\$410,000,000 for the fiscal year 1994 and
19	\$395,000,000 for the fiscal year 1995.
20	(2) United Nations Population Fund.—
21	(A) Subject to subparagraphs (B) and (C),
22	of the funds authorized to be appropriated for
	of the funds authorized to be appropriated for
23	"International Organizations and Programs"
	** *

1	1994 and 1995 for the United Nations Popu-
2	lation Fund only for the provision of contracep-
3	tive commodities and related logistics.
4	(B) The availability of funds under sub-
5	paragraph (A) shall be subject to the following
6	limitations:
7	(i) None of the funds made available
8	under subparagraph (A) may be made
9	available for programs in the People's Re-
10	public of China.
11	(ii) The prohibitions contained in sec-
12	tion 104(f) of the Foreign Assistance Act
13	of 1961 (relating to prohibitions on fund-
14	ing for abortion as a method of family
15	planning, coercive abortion, and involun-
16	tary sterilization) shall apply to the funds
17	made available for the United Nations
18	Population Fund.
19	(iii) The United Nations Population
20	Fund shall be required to maintain the
21	funds made available under subparagraph
22	(A) in a separate account and not commin
23	gle such funds with any other funds.
24	(iv) Any agreement entered into by
25	the United States and the United Nations

1	Population Fund to obligate funds made
2	available under subparagraph (A) shall ex-
3	pressly state that the full amount granted
4	by such agreement will be refunded to the
5	United States if, during its five-year pro-
6	gram which commenced in 1990, the Unit-
7	ed Nations Population Fund provides more
8	than \$57,000,000 for family planning pro-
9	grams in the People's Republic of China.
10	(C) Of the funds authorized to be available
11	under subparagraph (A), for each of the fiscal
12	years 1994 and 1995, \$13,784,500 is author-
13	ized to be available only if the President cer-
14	tifies to the Congress that the United Nations
15	Population Fund has terminated all activities in
16	the People's Republic of China.
17	(3) United Nations Development Pro-
18	GRAM.—
19	(A) Subject to subparagraphs (B) and (C),
20	of the funds authorized to be appropriated
21	under paragraph (1) \$126,929,000 is author-
22	ized to be available for each of the fiscal years
23	1994 and 1995 for the United Nations Develop-
24	ment Program.

1	(B) None of the funds made available
2	under subparagraph (A) shall be available for
3	programs and activities in or for Myanmar
4	(Burma).
5	(C) Of the funds authorized to be available
6	under subparagraph (A), \$32,000,000 for each
7	of the fiscal years 1994 and 1995 may be avail-
8	able only if the President certifies to the Con-
9	gress that the United Nations Development
10	Program has terminated all programs and ac-
11	tivities in or for Myanmar (Burma).
12	(4) International Atomic Energy Agen-
13	CY.—
14	(A) Subject to subparagraph (B), of the
14 15	(A) Subject to subparagraph (B), of the amounts authorized to be appropriated for
15	amounts authorized to be appropriated for
15 16	amounts authorized to be appropriated for "International Organizations and Programs"
15 16 17	amounts authorized to be appropriated for "International Organizations and Programs" under paragraph (1), \$40,000,000 for fiscal
15 16 17 18	amounts authorized to be appropriated for "International Organizations and Programs" under paragraph (1), \$40,000,000 for fiscal year 1994 and \$40,000,000 for fiscal year 1995
15 16 17 18 19	amounts authorized to be appropriated for "International Organizations and Programs" under paragraph (1), \$40,000,000 for fiscal year 1994 and \$40,000,000 for fiscal year 1995 is authorized to be available only for con-
15 16 17 18 19 20	amounts authorized to be appropriated for "International Organizations and Programs" under paragraph (1), \$40,000,000 for fiscal year 1994 and \$40,000,000 for fiscal year 1995 is authorized to be available only for contributions to the International Atomic Energy
15 16 17 18 19 20 21	amounts authorized to be appropriated for "International Organizations and Programs" under paragraph (1), \$40,000,000 for fiscal year 1994 and \$40,000,000 for fiscal year 1995 is authorized to be available only for contributions to the International Atomic Energy Agency.
15 16 17 18 19 20 21 22	amounts authorized to be appropriated for "International Organizations and Programs" under paragraph (1), \$40,000,000 for fiscal year 1994 and \$40,000,000 for fiscal year 1995 is authorized to be available only for contributions to the International Atomic Energy Agency.  (B) Of the amounts authorized to be available.

1	years 1994 and 1995 only for the purpose of
2	section 161.
3	(5) United Nations Environment Pro-
4	GRAM.—Of the amounts authorized to be appro-
5	priated for "International Organizations and Pro-
6	grams" under paragraph (1), \$25,000,000 for each
7	of the fiscal years 1994 and 1995 is authorized to
8	be available for the United Nations Environment
9	Program.
10	(6) United Nations Voluntary Fund for
11	THE VICTIMS OF TORTURE.—Of the amounts au-
12	thorized to be appropriated for "International Orga-
13	nizations and Programs" under paragraph (1),
14	\$1,500,000 for each of the fiscal years 1994 and
15	1995 is authorized to be available for the United
16	Nations Voluntary Fund for the Victims of Torture.
17	(f) FOREIGN CURRENCY EXCHANGE RATES.—In ad-
18	dition to amounts otherwise authorized to be appropriated
19	by subsections (a) and (b) of this section, there are au-
20	thorized to be appropriated such sums as may be nec-
21	essary for each of the fiscal years 1994 and 1995 to offset
22	adverse fluctuations in foreign currency exchange rates.
23	Amounts appropriated under this subsection shall be avail-
24	able for obligation and expenditure only to the extent that

25 the Director of the the Office of Management and Budget

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1	determines and certifies to Congress that such amounts
2	are necesssary due to such fluctuations.
3	SEC. 104. INTERNATIONAL COMMISSIONS.
4	The following amounts are authorized to be appro-
5	priated under "International Commissions" for the De-
6	partment of State to carry out the authorities, functions,
7	duties, and responsibilities in the conduct of the foreign
8	affairs of the United States and for other purposes author-
9	ized by law:
0	(1) International boundary and water
1	COMMISSION, UNITED STATES AND MEXICO.—For
2	"International Boundary and Water Commission,
3	United States and Mexico"—
4	(A) for "Salaries and Expenses"
5	\$11,330,000 for the fiscal year 1994 and
6	\$11,767,000 for the fiscal year 1995; and
7	(B) for "Construction" \$14,780,000 for
8	the fiscal year 1994 and \$15,198,000 for the
9	fiscal year 1995.
20	(2) International boundary commission,
21	UNITED STATES AND CANADA.—For "International
22	Boundary Commission, United States and Canada",
23	\$760,000 for the fiscal year 1994 and \$784,000 for

the fiscal year 1995.

1	(3) International joint commission.—For
2	"International Joint Commission", \$3,643,000 for
3	the fiscal year 1994 and \$3,759,000 for the fiscal
4	year 1995.
5	(4) International fisheries commis-
6	SIONS.—For "International Fisheries Commissions",
7	\$14,200,000 for the fiscal year 1994 and
8	\$14,569,000 for the fiscal year 1995.
9	SEC. 105. MIGRATION AND REFUGER ASSISTANCE.
10	(a) AUTHORIZATION OF APPROPRIATIONS.—
11	(1) There are authorized to be appropriated for
12	"Migration and Refugee Assistance" for authorized
13	activities, \$593,500,000 for the fiscal year 1994 and
14	\$593,500,000 for the fiscal year 1995.
15	(2) There are authorized to be appropriated
16	\$80,000,000 for the fiscal year 1994 and
17	\$80,000,000 for the fiscal year 1995 for assistance
18	for refugees resettling in Israel.
19	(b) AVAILABILITY OF FUNDS.—Funds appropriated
20	pursuant to subsection (a) are authorized to be available
21	until expended.
22	SEC. 106. OTHER PROGRAMS.
23	The following amounts are authorized to be appro-
24	priated for the Department of State to carry out the au-
25	thorities, functions, duties, and responsibilities in the con-

1	duct of the foreign affairs of the United States and for
2	other purposes authorized by law:
3	(1) United states bilateral science and
4	TECHNOLOGY AGREEMENTS For "United States
5	Bilateral Science and Technology Agreements",
6	\$4,500,000 for the fiscal year 1994 and \$4,617,000
7	for the fiscal year 1995.
8	(2) ASIA FOUNDATION.—For "Asia Founda-
9	tion", \$18,693,000 for the fiscal year 1994 and
0	\$19,127,000 for the fiscal year 1995.
1	SEC. 107. UNITED STATES ARMS CONTROL AND DISAR-
2	MAMENT AGENCY.
3	(a) AUTHORIZATION OF APPROPRIATIONS.—There
4	are authorized to be appropriated to carry out the pur-
5	poses of the Arms Control and Disarmament Act—
6	(1) \$62,500,000 for the fiscal year 1994 and
7	\$55,356,000 for the fiscal year 1995; and
8	(2) such sums as may be necessary for each of
9	the fiscal years 1994 and 1995 for increases in sal-
20	ary, pay, retirement, other employee benefits author-
21	ized by law, and other nondiscretionary costs, and to
22	offset adverse fluctuations in foreign currency ex-
23	change rates.

1	(b) TECHNICAL AND CONFORMING AMENDMENTS.—
2	Section 49 of the Arms Control and Disarmament Act (22
3	U.S.C. 2589) is amended—
4	(1) by striking subsection (a); and
5	(2) in the first sentence of subsection (b) by
6	striking "pursuant to this section" and inserting "to
7	carry out this Act".
8	PART B-AUTHORITIES AND ACTIVITIES
9	SEC. 111. EMERGENCIES IN THE DIPLOMATIC AND CON-
10	SULAR SERVICE.
11	Section 4 of the State Department Basic Authorities
12	Act of 1956 (22 U.S.C. 2671) is amended in subsection
13	(e)—
14	(1) by striking "and the Foreign Service"; and
15	(2) by striking "an annual confidential" and in-
16	serting "a periodic".
17	SEC. 112. TRANSFERS AND REPROGRAMMINGS.
18	(a) AMENDMENTS TO SECTION 24 OF THE STATE
19	DEPARTMENT BASIC AUTHORITIES ACT OF 1956.—Sec-
20	tion 24 of the State Department Basic Authorities Act
21	of 1956 (22 U.S.C. 2696) is amended—
22	(1) in subsection (b)(7) by striking subpara-
23	graph (E);
24	(2) in subsection (d)(1)—

1	(A) by striking "the second" and inserting
2	"either"; and
3	(B) by striking "such second" and insert-
4	ing "such";
5	(3) in subsection (d)(2) by amending the first
6	sentence to read as follows: "Amounts appropriated
7	for the "Diplomatic and Consular Programs" ac-
8	count may not exceed by more than 5 percent the
9	amount specifically authorized to be appropriated for
0	such account for a fiscal year."; and
1	(4) by striking subsection (d)(4).
2	(b) DIPLOMATIC CONSTRUCTION PROGRAM.—Section
3	401 of the Omnibus Diplomatic Security and
4	Antiterrorism Act of 1986 (22 U.S.C. 4851) is amended
5	by striking subsections (c) and (h)(3).
6	SEC. 113. EXPENSES RELATING TO CERTAIN INTER-
7	NATIONAL CLAIMS AND PROCEEDINGS.
8	Section 38 of the State Department Basic Authorities
9	Act of 1956 (22 U.S.C. 2710) is amended by adding at
0.0	the end the following new subsections:
21	"(c) PROCUREMENT OF SERVICES.—The Secretary of
22	State may use competitive procedures or procedures other
23	than competitive procedures to procure the services of ex-
24	perts for use in preparing or prosecuting a proceeding be-
25	fore an international tribunal or a claim by or against a

- 1 foreign government or other foreign entity, whether or not
- 2 the expert is expected to testify, or to procure other sup-
- 3 port services for such proceedings or claims. The Secretary
- 4 need not provide any written justification for the use of
- 5 procedures other than competitive procedures when pro-
- 6 curing such services under this chapter and need not fur-
- 7 nish for publication in the Commerce Business Daily or
- 8 otherwise any notice of solicitation or synopsis with re-
- 9 spect to such procurement.

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- 10 "(d) International Litigation Fund.—
- 11 "(1) ESTABLISHMENT.—In order to provide the 12 Department of State with a dependable, flexible, and 13 adequate source of funding for the expenses of the 14 Department related to preparing or prosecuting a 15 proceeding before an international tribunal, or a 16 claim by or against a foreign government or other 17 foreign entity, there is established an International 18 Litigation Fund (hereafter in this subsection re-19 ferred to as the "ILF"). The ILF shall be available 20 without fiscal year limitation. Funds otherwise avail-21 able to the Department for the purposes of this

paragraph may be credited to the ILF.

"(2) Reprogramming procedures.—Funds credited to the ILF shall be treated as a reprogramming of funds under section 34 and shall

1	not be available for obligation or expenditure except
2	in compliance with the procedures applicable to such
3	reprogrammings. This paragraph shall not apply to
4	the transfer of funds under paragraph (3).
5	"(3) TRANSFERS OF FUNDS.—Funds received
6	by the Department of State from another agency of
7	the United States Government or pursuant to the
8	Department of State Appropriations Act of 1937
9	(49 Stat. 1321, 22 U.S.C. 2661) to meet costs of
0	preparing or prosecuting a proceeding before an
1	international tribunal, or a claim by or against a for-
2	eign government or other foreign entity, shall be
3	credited to the ILF.
4	"(4) USE OF FUNDS.—Funds deposited in the
15	ILF shall be available only for the purposes of para-
6	graph (1).".
17	SEC. 114. CHILD CARE FACILITIES AT CERTAIN POSTS
8	ABROAD.
19	Section 31 of the State Department Basic Authorities
20	Act of 1956 (22 U.S.C. 2703) is amended in subsection
21	(e) by striking "For the fiscal years 1992 and 1993, the"
22	and inserting "The".

SEC. 115. NOTIFICATION TO CONGRESS OF PROPOSED
REPROGRAMMINGS OF AID OPERATING EX-
PENSES.
Section 634A of the Foreign Assistance Act of 1961
(22 U.S.C. 2394) is amended by adding at the end the
following:
"(d) AID OPERATING EXPENSES.—
"(1) CONGRESSIONAL NOTIFICATION OF CER-
TAIN REPROGRAMMINGS Unless the Committee on
Foreign Affairs of the House of Representatives and
the Committee on Foreign Relations of the Senate
are notified at least 15 days in advance of the pro-
posed reprogramming, funds appropriated for the
operating expenses of the agency primarily respon-
sible for administering part I (including funds ap-
propriated for the operating expenses of the Office
of the Inspector General of that agency) shall not be
available for obligation or expenditure through any
reprogramming of funds that—
"(A) would create or eliminate a program,
project, or activity;
"(B) would increase funds or personnel by
any means for any program, project, or activity
for which funds have been denied or restricted
· by the Congress;

1	"(C) would reorganize offices, programs,
2	projects, or activities among bureaus;
3	"(D) would involve a reprogramming in ex-
4	cess of \$1,000,000 or 10 percent (whichever is
5	greater) and would—
6	"(i) augment existing programs,
7	projects, or activities,
8	"(ii) reduce by 10 percent or more the
9	funding for any existing program, project,
0	activity, or personnel approved by the Con-
11	gress, or
12	"(iii) result from any general savings
13	from a reduction in personnel that would
14	result in a change in existing programs,
15	activities, or projects approved by the Con-
16	gress.
17	"(2) LIMITATION ON END-OF-YEAR
18	REPROGRAMMINGS.—Funds appropriated for the op-
19	erating expenses of the agency primarily responsible
20	for administering part I (including funds appro-
21	priated for the operating expenses of the Office of
22	the Inspector General of that agency) shall not be
23	available for obligation or expenditure through any
24	reprogramming described in paragraph (1) during
25	the last 15 days in which such funds are available

1	for obligation or expenditure (as the case may be)
2	unless the notification required by that paragraph
3	was submitted before that 15-day period.".
4	SEC. 116. PROHIBITION ON DISCRIMINATORY CONTRACTS.
5	(a) Prohibition.—
6	(1) Except as provided in subsection (b), the
7	Department of State may not enter into any
8	contract—
9	(A) with any foreign person that complies
10	with the Arab League boycott of the State of
11	Israel, or
12	(B) with any foreign or United States per-
13	son that discriminates in the award of sub-
14	contracts on the basis of religion.
15	(2) For purposes of this section—
16	(A) a foreign person complies with the boy-
17	cott of Israel by Arab countries when that per-
18	son takes or knowingly agrees to take any ac-
19	tion, with respect to the boycott of Israel by
20	Arab countries, which section 8(a) of the Ex-
21	port Administration Act of 1979 prohibits a
22	United States person from taking, except that
23	for purposes of this paragraph, the term "Unit-
24	ed States person" as used in subparagraphs (B)

1	and (C) of section $\delta(a)(1)$ of such Act shall be
2	deemed to mean "person"; and
3	(B) the term "foreign person" means any
4	person other than a United States person as de-
5	fined in section 16(2) of the Export Adminis-
6	tration Act of 1979.
7	(b) Waivers by Secretary of State:—The Sec-
8	retary of State may waive the prohibition contained in
9	subsection $(a)(1)(A)$ on a country-by-country basis for a
10	period not to exceed one year upon certification to the
11	Congress by the Secretary that such waiver is in the na-
12	tional interest and is necessary to carry on the diplomatic
13	functions of the United States. Each such certification
14	shall include a detailed justification for the waiver with
15	respect to each such country.
16	(c) RESPONSES TO CONTRACT SOLICITATIONS.—The
17	Secretary of State shall ensure that any response to a so-
18	licitation for a bid or a request for a proposal, with respect
19	to a contract with the Department of State, includes the
20	following clause, in substantially the following form:
21	"ARAB BOYCOTT OF ISRAEL
22	"(a) DEFINITIONS.—As used in this clause—
23	"(1) the term 'foreign person' means any per-
24	son other than a United States person as defined in
25	paragraph (2); and

1	"(2) the term 'United States person' means any
2	United States resident or national (other than an in-
3	dividual resident outside the United States and em-
4	ployed by other than a United States person), any
5	domestic concern (including any permanent domestic
6	establishment of any foreign concern), and any for-
7	eign subsidiary or affiliate (including any permanent
8	foreign establishment) of any domestic concern
9	which is controlled in fact by such domestic concern,
10	as determined under regulations of the President.
11	"(b) CERTIFICATION.—By submitting this offer, the
12	Offeror certifies that it is not—
13	"(1) taking or knowingly agreeing to take any
14	action, with respect to the boycott of Israel by Arab
15	countries, which section 8(a) of the Export Adminis-
16	tration Act of 1979 (50 U.S.C. App. 2407(a)) pro-
17	hibits a United States person from taking; or
18	"(2) discriminating in the award of sub-
19	contracts on the basis of religion.".
20	(d) SUBMISSION OF STATEMENTS.—The Department
21	of State may not enter into any contract with any person,
22	unless that person has submitted to the Department of
23	State statements, certified by that person, indicating
24	whether or not that person—

(1) has answered any questionnaire about its
economic or other relations with Israel;
(2) has agreed to comply with the boycott of Is-
rael by Arab countries;
(3) has agreed to not do business with Israel or
Israeli firms;
(4) has agreed to take discriminatory actions
against any person based on race, religion, sex, or
national origin;
(5) has agreed to furnish information about
race, religion, sex, or national origin;
(6) has agreed to furnish information about
business relationships with Israel or Israeli firms;
and
(7) has agreed to furnish information about as-
sociations with charitable and fraternal organiza-
tions.
(e) Monitoring Revocation.—
(1) MONITORING.—The Department of State
shall monitor persons making the certifications re-
quired by this section, both before and after entering
into any contract with such person, for the purpose
of determining whether or not the certifications are
tme.

1	(2) REVOCATION.—The Department of State
2	may revoke any contract entered into with a person
3	whom the Department of State determines made a
4	false certification under this Act.
5	SEC. 117. AUTHORIZED STRENGTH OF THE FOREIGN SERV-
6	ICE.
7	(a) END FISCAL YEAR 1994 LEVELS.—Subject to
8	subsection (c), the employment and service of Members
9	of the Foreign Service shall be subject to the following
10	limitations as of September 30, 1994:
11	(1) Department of State, not to exceed 9,000,
12	of whom not more than 862 shall be members of the
13	Senior Foreign Service.
14	(2) United States Information Agency, not to
15	exceed 1,200, of whom not more than 175 shall be
16	members of the Senior Foreign Service.
17	(3) Agency for International Development, not
18	to exceed 1,600 of whom not more than 250 shall
19	be members of the Senior Foreign Service.
20	(b) END FISCAL YEAR 1995 LEVELS Subject to
21	subsection (c), the employment and service of Members
22	of the Foreign Service shall be subject to the following
23	limitations as of September 30, 1995:

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1	(1) Department of State, not to exceed 9,000,
2	of whom not more than 787 shall be members of the
3	Senior Foreign Service.
4	(2) United States Information Agency, not to
5	exceed 1,200, of whom not more than 155 shall be
6	members of the Senior Foreign Service.
7	(3) Agency for International Development, not
8	to exceed 1,600 of whom not more than 220 shall
9	be members of the Senior Foreign Service.
10	(c) DEFINITION.—For the purposes of this section,
11	the term "members of the Foreign Service" has the mean-
12	ing of such term under section 103 of the Foreign Service
13	Act of 1980 (22 U.S.C 3903), except that such term shall
14	not include—
15	(1) members of the Service under paragraphs
16	(6) and (7) of such section;
17	(2) members of the Service serving under tem-
18	porary resident appointments abroad; and
19	(3) members of the Service employed on less
20	than a full-time basis.
21	SEC. 118. ROLE OF THE FOREIGN SERVICE INSTITUTE.
22	Section 701 of the Foreign Service Act of 1980 (22
23	U.S.C. 4021) is amended by adding at the end the fol-
24	lowing new subsection:

- 1 "(d)(1) The Secretary of State is authorized to pro-
- 2 vide for the training and instruction of employees of for-
- 3 eign governments at the Institute.
- 4 "(2) Except as provided in paragraph (3), training
- 5 and instruction under paragraph (1) shall be on a reim-
- 6 bursable basis. Reimbursement to the Institute may be
- 7 provided by an agency of the United States Government
- 8 or by a foreign person.
- 9 "(3) The Secretary of State may waive reimburse-
- 10 ment by a foreign government upon a determination that
- 11 such waiver is in the national interest.
- 12 "(4) The authorities of section 704 shall apply to
- 13 training and instruction provided under this section.".
- 14 SEC. 119. REPORTING REQUIREMENT ON AMERICAN PRIS-
- 15 ONERS ABROAD.
- 16 Section 108 of the Foreign Relations Authorization
- 17 Act, Fiscal Year 1978 (Public Law 95-105) is repealed.
- 18 SEC. 120. CONSULAR AUTHORITIES.
- 19 (a) Persons Authorized To Issue Passports
- 20 ABROAD.—The Act entitled "An Act to regulate the issue
- 21 and validity of passports, and for other purposes", ap-
- 22 proved July 3, 1926 (44 Stat. 887, 22 U.S.C. 211a) is
- 23 amended by striking "by diplomatic representatives of the
- 24 United States, and by such consul generals, consuls, or
- 25 vice consuls when in charge," and inserting "by diplomatic

- 1 and consular officers of the United States, and by other
- 2 employees of the Department of State who are citizens of
- 3 the United States.".
- 4 (b) NOTARIAL AUTHORITY.—The Act entitled "An
- 5 Act to provide for the reorganization of the consular serv-
- 6 ice of the United States", approved April 5, 1906 (34
- 7 Stat. 100, 22 U.S.C. 4221) is amended in section 7 by
- 8 adding at the end "The Secretary of State is authorized
- 9 to designate by regulation that any other employee of the
- 10 Department of State who is a citizen of the United States
- 11 may perform any notarial function authorized to a con-
- 12 sular officer of the United States under this Act.".
- 13 SEC. 121. REQUIREMENT FOR AUTHORIZATION OF APPRO-
- 14 PRIATIONS FOR AID.
- Public Law 87-195 is amended by inserting after sec-
- 16 tion 667 the following new section:
- 17 "SEC. 668. REQUIREMENT FOR AUTHORIZATION OF APPRO-
- 18 PRIATIONS.
- 19 "(a) LIMITATION ON OBLIGATION AND EXPENDI-
- 20 TURE OF FUNDS.—Notwithstanding any other provision
- 21 of law, for the fiscal year 1994 and for each subsequent
- 22 fiscal year, any funds appropriated for the agency respon-
- 23 sible for administering part I this Act shall not be avail-
- 24 able for obligation or expenditure—

1	"(1) unless such funds are appropriated pursu-
2	ant to an authorization of appropriations; or
3	"(2) in excess of the authorized level of appro-
4	priations.
5	"(b) Subsequent Authorization.—The limitation
6	under subsection (a) shall not apply to the extent that an
7	authorization of appropriations is enacted after such funds
8	are appropriated.
9	"(c) APPLICATION.—The provisions of this section—
0	"(1) may not be superseded, except by a provi-
1	sion of law which specifically repeals, modifies, or
2	supersedes the provisions of this section; and
3	"(2) shall not apply to, or affect in any manner,
4	permanent appropriations, trust funds, and other
15	similar accounts which are authorized by law and
16	administered by the agency responsible for admin-
17	istering part I of this Act.".
18	SEC. 122. REPORT ON CONSOLIDATION OF ADMINISTRA-
19	TIVE OPERATIONS.
20	Not later than 180 days after the date of the enact-
21	ment of this Act, the Assistant Secretary of State for Ad-
22	ministration, jointly with the Associate Director for Man-
23	agement of the United States Information Agency and the
24	Associate Administrator for Finance and Administration
25	of the Agency for International Development, shall sub-

- 1 mit, to the Committee on Foreign Affairs of the House 2 of Representatives and the Committee on Foreign Rela-3 tions of the Senate, a report concerning the feasibility of 4 consolidating domestic administrative operations for the 5 Department of State, the Agency for International Devel-6 opment, and the United States Information Agency. Such 7 report shall include specific recommendations for imple-8 mentation. 9 SEC. 123. LOCAL GUARD CONTRACTS ABROAD. 10 Section 136(c) of the Foreign Relations Authoriza-11 tion Act, Fiscal Years 1990 and 1991 (Public Law 101-12 246) is amended—. 13 (1) in paragraph (2) by striking "due to their 14 distance from the post"; 15 (2) by redesignating paragraphs (2) and (3) as paragraphs "(4)" and "(5)", respectively; and 16 17 (3) by inserting after paragraph (1) the fol-18 lowing: 19 "(2) absent compelling reasons, award such 20 contracts through competitive bidding; 21 "(3) in evaluating and scoring proposals for 22 such contracts, award not less than 60 percent of 23 the total points on the basis of technical capacity;". 24 SEC. 124, VISAS.
- 25 (a) SURCHARGE FOR PROCESSING CERTAIN VISAS.—

1	(1) Notwithstanding any other provision of law,
2	the Secretary of State is authorized to charge a fee
3	or surcharge for processing machine readable non-
4	immigrant visas and machine readable combined
5	border crossing identification cards and non-
6	immigrant visas.
7	(2) Fees collected under the authority of sub-
8	section (a) shall be deposited as an offsetting collec-
9	tion to any Department of State appropriation to re-
10	cover the costs of providing consular services. Such
11	fees shall remain available for obligation until ex-
12	pended.
13	(3) For fiscal years 1994 and 1995, fees col-
14	lected under the authority of paragraph (1) may not
15	exceed a total of \$56,000,000.
16	(b) AUTOMATED VISA LOOKOUT SYSTEM.—Not later
17	than 6 months after the date of the enactment of this Act,
18	the Secretary of State shall implement an upgrade of all
19	overseas visa lookout operations to computerized systems
20	with automated multiple-name search capabilities.
21	(c) Processing of Visas for Admission to the
22	United States.—
23	(1)(A) Whenever a United States consular offi-
24	cial issues a visa for admission to the United States,
25	that official shall certify, in writing, that a check of

the Automated Visa Lookout System, or any other
system or list which maintains information about the
excludability of aliens under the Immigration and
Nationality Act, has been made and that there is no
basis under such system for the exclusion of such
alien.

- (B) If a consular official issues a visa to an alien for admission to the United States and the alien was named on the Automated Visa Lookout System as excludable from the United States at the time of the consular officer's review and issuance of such visa, such action shall be investigated for appropriate disciplinary action, consistent with law and regulations. Any disciplinary action taken shall be in the officer's annual performance evaluation.
- (2) In any case where a serious loss of life or property in the United States involves the issuance of a visa to an alien listed on the Automated Visa Lookout System, or any other system or list which maintains information about the excludability of aliens under the Immigration and Nationality Act, the Secretary of State shall convene an Accountability Review Board under the authority of title III of the Omnibus Diplomatic Security and Antiterrorism Act of 1986.

1	SEC. 125. CONSULAR AND DIPLOMATIC POSTS ABROAD.
2	Section 48 of the State Department Basic Authorities
3	Act of 1956 is amended—
4	(1) by striking subsection (c); and
5	(2) by redesignating subsections (d) and (e) as
6	subsections "(c)" and "(d)", respectively.
7	SEC. 126. DIPLOMATIC SECURITY PROGRAM.
8	Section 401(a)(3) of the Omnibus Diplomatic Secu-
9	rity and Antiterrorism Act of 1986 (22 U.S.C.
10	4851(a)(3)) is amended by striking the last sentence.
11	PART C-DEPARTMENT OF STATE ORGANIZATION.
12	SEC. 131. ORGANIZING PRINCIPLES.
13	The Congress makes the following findings:
14	(1) The organization of the Department of
15	State should reflect, to the maximum extent pos-
16	sible, the primary responsibility of the Secretary of
17	State under the President for the conduct of the Na-
18	tion's foreign relations.
19	(2) Unless compelling considerations so require,
20	statutory authorities should be vested in the Sec-
21	retary of State, rather than in officials subordinate
22	to the Secretary.
23	SEC. 132. ORGANIZATION OF THE DEPARTMENT OF STATE.
24	
25	
26	as follows:

1	"ORGANIZATION OF THE DEPARTMENT OF STATE
2	"Section 1. (a) Secretary of State.—
3	"(1) The Department of State shall be adminis-
4	tered in accordance with this Act and other provi-
5	sions of law under the supervision and direction of
6	the Secretary of State (hereinafter referred to as the
7	'Secretary').
8	"(2) The Secretary shall be appointed by the
9	President, by and with the advice and consent of the
10	Senate.
11	"(3)(A) Notwithstanding any other provision of
12	law and except as provided in subparagraph (B), the
13	Secretary shall have and exercise any authority vest-
14	ed by law in any office or official of the Department
15	of State. The Secretary shall administer, coordinate,
16	and direct the Foreign Service of the United States
17	and the personnel of the Department of State, ex-
18	cept where authority is inherent in or vested in the
19	President.
20	"(B) The Secretary shall not have the authority
21	of the Inspector General or the Chief Financial Offi-
22	cer.
23	"(4) The Secretary of State is authorized to
24	promulgate such rules and regulations as may be
25	· necessary to carry out the functions of the Secretary

- of State and the Department of State. The Sec-
- 2 retary may delegate authority to perform any of the
- 3 functions of the Secretary or the Department to offi-
- 4 cers and employees under the direction and super-
- 5 vision of the Secretary. The Secretary may delegate
- 6 the authority to redelegate any such functions.
- 7 "(b) UNDER SECRETARIES.—There shall be in the
- 8 Department of State not more than 5 Under Secretaries
- 9 of State, who shall be appointed by the President, by and
- 10 with the advice and consent of the Senate, and who shall
- 11 be compensated at the rate provided for at level III of
- 12 the Executive Schedule under section 5314 of title 5, Unit-
- 13 ed States Code.
- 14 "(c) Assistant Secretaries.—There shall be in
- 15 the Department of State not more than 19 Assistant Sec-
- 16 retaries of State, each of whom shall be appointed by the
- 17 President, by and with the advice and consent of the Sen-
- 18 ate, and who shall be compensated at the rate provided
- 19 for at level IV of the Executive Schedule under section
- 20 5315 of title 5.
- 21 "(d) DEPUTY ASSISTANT SECRETARIES.—There
- 22 shall be in the Department of State not more than 63
- 23 Deputy Assistant Secretaries of State.".
- 24 (b) APPLICATION.—The amendments made by this
- 25 section and section 133 shall apply with respect to offi-

- 1 cials, offices, and regulations when the President issues
- 2 an Executive order implementing such sections.
- 3 (c) TRANSITION.—Any officer of the Department of
- 4 State holding office on the date of the enactment of this
- 5 Act shall not be required to be reappointed to any other
- 6 office, at the Department of State at the same level per-
- 7 forming similar functions, as determined by the President,
- 8 by reason of the enactment of the amendments made by
- 9 this section and section 133.
- 10 (d) REFERENCES IN OTHER ACTS.—A reference in
- 11 any other provision of law to an official or office of the
- 12 Department of State affected by the amendment made by
- 13 subsection (a) shall be deemed to be a reference to the
- 14 Secretary of State or the Department of State, as may
- 15 be appropriate.
- 16 SEC. 133. TECHNICAL AND CONFORMING AMENDMENTS.
- 17 (a) ACT OF MAY 26, 1949.—The Act entitled "An
- 18 Act to strengthen and improve the organization and ad-
- 19 ministration of the Department of State, and for other
- 20 purposes" (May 26, 1949; Pub. L. 81-73; 22 U.S.C. 2652
- 21 et seq.) is repealed.
- 22 (b) FOREIGN RELATIONS AUTHORIZATION ACT, FIS-
- 23 CAL YEAR 1979.—Section 115 of the Foreign Relations
- 24 Authorization Act, Fiscal Year 1979 (22 U.S.C. 2652a)
- 25 is amended by striking subsection (a).

1	(c) PUBLIC LAW 93-126.—Section 9 of Public Law
2	93-126 (22 U.S.C. 2655a) is amended by striking sub-
3	section (a).
4	(d) Foreign Relations Authorization Act, Fis-
5	CAL YEARS 1992 AND 1993.—Section 122 of the Foreign
6	Relations Authorization Act, Fiscal Years 1992 and 1993
7	(22 U.S.C. 2652b) is amended by striking subsection (a).
8	(e) TITLE 5, UNITED STATES CODE.—
9	(1) Section 5314 of title 5, United States Code,
0	is amended by striking—
1	"Under Secretary of State for Political Affairs
2	and Under Secretary of State for Economic and Ag-
3	ricultural Affairs and an Under Secretary of State
4	for Coordinating Security Assistance Programs and
5	Under Secretary of State for Management.
6	"Counselor of the Department of State."
7	and inserting—
8	"Under Secretaries of State (5).".
9	(2) Section 5315 of title 5, United States Code,
0.	is amended by striking "Assistant Secretary for
.1	International Narcotics Matters, Department of
2	State.", "Assistant Secretary for South Asian Af-
23	fairs, Department of State.", and "Assistant Sec-
4	retary for Oceans and International Environmental
2.5	and Scientific Affairs, Department of State.".

1	(f) FOREIGN ASSISTANCE ACT OF 1961.—The For-
2	eign Assistance Act of 1961 is amended—
3	(1) in section 116(c) (22 U.S.C. 2151n), by
4	striking "Assistant Secretary for Human Rights and
5	Humanitarian Affairs" and inserting "Secretary of
6	State";
7	(2) in sections 502B(b) (22 U.S.C. 2304(b)),
8	502B(c)(1) (22 U.S.C. 2304(c)), and $505(g)(4)(A)$
9	(22 U.S.C. 2314(g)(4)(A)) by striking ", prepared
0	with the assistance of the Assistant Secretary of
1	State for Human Rights and Humanitarian Af-
2	fairs," each place it appears;
3	(3) in section 624(f) (22 U.S.C. 2384(f)(1)) by
14	striking paragraph (1);
15	(4) in section 624(f)(2) by striking "(2) The
16	Assistant Secretary of State for Human Rights and
17	Humanitarian Affairs" and inserting "The Secretary
18	of State"; and
19	(5) in section 624(f)(2)(C)—
20	(A) by striking "the Secretary of State
21	and"; and
22	(B) by striking "Assistant".
23	(g) ARMS EXPORT CONTROL ACT.—Section 5(d)(1)
24	of the Arms Export Control Act is amended (22 U.S.C.
25	2755(d)(1)) by striking "Assistant Secretary of State for

1	Human Rights and Humanitarian Affairs" and inserting
2	"Secretary of State".
3	(h) DIPLOMATIC SECURITY ACT.—The Omnibus Dip-
4	lomatic Security and Antiterrorism Act of 1986 is
5	amended—
6	(1) in section 102(b) (22 U.S.C. 4801(b)) by-
7	(A) striking paragraph (2); and
8	(B) redesignating paragraphs (3) through
9	(6) as paragraphs (2) through (5), respectively;
10	(2) in subsection 103(a)—
11	(A) by inserting "(1)" before "The Sec-
12	retary of State";
13	(B) by redesignating paragraphs (1)
14	through (4) as subparagraphs (A) through (D),
15	respectively; and
16	(C) by inserting at the end the following
17	new paragraph:
18	"(2) Security responsibilities shall include the
19	following:
20	"(A) FORMER OFFICE OF SECURITY FUNC-
21	TIONS.—Functions and responsibilities exer-
22	cised by the Office of Security, Department of
23	State, before November 1, 1985.
24	"(B) SECURITY AND PROTECTIVE OPER-
25	ATIONS.—

1	"(i) Establishment and operations of
2	post security and protective functions
3	abroad.
4	"(ii) Development and implementation
5	of communications, computer, and infor-
6	mation security.
7	"(iii) Emergency planning:
8	"(iv) Establishment and operations of
9	local guard services abroad.
10	"(v) Supervision of the United States
11	Marine Corps security guard program.
12	"(vi) Liaison with American overseas
13	private sector security interests.
14	"(vii) Protection of foreign missions
15	and international organizations, foreign of-
16	ficials, and diplomatic personnel in the
17	United States, as authorized by law.
18	"(viii) Protection of the Secretary of
19	State and other persons designated by the
20	Secretary of State, as authorized by law.
21	"(ix) Physical protection of Depart-
22	ment of State facilities, communications,
23	and computer information systems in the
24	United States.

1	"(x) Conduct of investigations relating
2	to protection of foreign officials and dip-
3	lomatic personnel and foreign missions in
4	the United States, suitability for employ-
5	ment, employee security, illegal passport
6	and visa issuance or use, and other inves-
7	tigations, as authorized by law.
8	"(xi) Carrying out the rewards pro-
9	gram for information concerning inter-
10	national terrorism authorized by section
11	36(a) of the State Department Basic Au-
12	thorities Act of 1956.
13	"(xii) Performance of other security,
14	investigative, and protective matters au-
15	thorized by law.
16	"(C) COUNTERTERRORISM PLANNING AND
17	COORDINATION.—Development and coordination
18	of counterterrorism planning, emergency action
19	planning, threat analysis programs, and liaison
20	with other Federal agencies to carry out this
21	paragraph.
22	"(D) SECURITY TECHNOLOGY.—Develop-
23	ment and implementation of technical and phys-
24	ical security programs, including security-relat-
25	ed construction, radio and personnel security

1	communications, armored vehicles, computer
2	and communications security, and research pro-
3	grams necessary to develop such measures.
4	"(E) DIPLOMATIC COURIER SERVICE.—
5	Management of the diplomatic courier service.
6	"(F) PERSONNEL TRAINING.—Develop-
7	ment of facilities, methods, and materials to de-
8	velop and upgrade necessary skills in order to
9	carry out this section.
10	"(G) FOREIGN GOVERNMENT TRAINING.—
11	Management and development of antiterrorism
12	assistance programs to assist foreign govern-
13	ment security training which are administered
14	by the Department of State under chapter 8 of
15	part II of the Foreign Assistance Act of 1961
16	(22 U.S.C. 2349aa et seq.).".
17	(3) by striking section 104;
18	(4) by striking section 105;
19	(5) in section 107, by striking "The Chief of
20	Protocol of the Department of State shall consult
21	with the Assistant Secretary of Diplomatic Security"
22	and inserting "The Secretary of State shall take into
23	account security considerations";
24	(6) in title II by amending the title heading to
25	read as follows: "TITLE II—PERSONNEL";

1	(7) by amending section 201 to read as follows:
2	"SEC. 201. DIPLOMATIC SECURITY SERVICE.
3	"The Secretary of State may establish a Diplomatic
4	Security Service, which shall perform such functions as
5	the Secretary may determine.";
6	(8) in section 202—
7	(A) by striking "The" in the first sentence
8	and inserting "Any such";
9	(B) by striking "shall" each place it ap-
10	pears and inserting "should"; and
11	(C) by striking the last sentence;
12	(9) in section 203—
13	(A) by amending the heading to read as
13 14	(A) by amending the heading to read as follows:
14	follows:
14 15	follows: "SEC. 203. SPECIAL AGENTS.";
14 15 16	follows:  "SEC. 203. SPECIAL AGENTS.";  (B) in the first sentence by striking "Posi-
14 15 16 17	follows:  "SEC. 203. SPECIAL AGENTS.";  (B) in the first sentence by striking "Positions in the Diplomatic Security Service" and
14 15 16 17 18	follows:  "SEC. 203. SPECIAL AGENTS.";  (B) in the first sentence by striking "Positions in the Diplomatic Security Service" and inserting "Special agent positions"; and
14 15 16 17 18	follows:  "SEC. 203. SPECIAL AGENTS.";  (B) in the first sentence by striking "Positions in the Diplomatic Security Service" and inserting "Special agent positions"; and  (C) in the last sentence by striking "In the
14 15 16 17 18 19 20	follows:  "SEC. 203. SPECIAL AGENTS.";  (B) in the first sentence by striking "Positions in the Diplomatic Security Service" and inserting "Special agent positions"; and  (C) in the last sentence by striking "In the case of positions designated for special agents,
14 15 16 17 18 19 20 21	follows:  "SEC. 203. SPECIAL AGENTS.";  (B) in the first sentence by striking "Positions in the Diplomatic Security Service" and inserting "Special agent positions"; and  (C) in the last sentence by striking "In the case of positions designated for special agents, the" and inserting "The"; and

1	(i) IMMIGRATION AND NATIONALITY ACT.—The Im-
2	migration and Nationality Act (8 U.S.C. 1101 et seq.) is
3	amended—
4	(1) in section 101(a)(1) (8 U.S.C. 1101(a)(1))
5	by striking "Assistant Secretary of State for Con-
6	sular Affairs" and inserting "official designated by
7	the Secretary of State pursuant to section 104(b) of
8	this Act";
9	(2) in section 104 (8 U.S.C. 1104)—
10	(A) in the heading by striking "; BUREAU
11	OF CONSULAR AFFAIRS";
12	(B) in subsection (a), by striking "the Bu-
13	reau of Consular Affairs" and inserting "the
14	Administrator";
15	(C) by amending subsection (b) to read as
16	follows:
17	"(b) The Secretary of State shall designate an Ad-
18	ministrator who shall be a citizen of the United States,
19	qualified by experience. The Administrator shall maintain
20	close liaison with the appropriate committees of Congress
21	in order that they may be advised regarding the adminis-
22	tration of this Act by consular officers. The Administrator
23	shall be charged with any and all responsibility and au-
24	thority in the administration of this Act which are con-
25	ferred on the Secretary of State as may be delegated to

1	the Administrator by the Secretary of State or which may
2	be prescribed by the Secretary of State, and shall perform
3	such other duties as the Secretary of State may pre-
4	scribe.";
5	(D) in subsection (c), by striking "Bu-
6	reau" and inserting "Department of State";
7	and
8	(E) in subsection (d), by striking all after
9	"respectively" before the period.
0	(3) in section 105 (8 U.S.C. 1105) by striking
1	"Assistant Secretary of State for Consular Affairs"
2	and inserting "Administrator" each place it appears.
3	(j) DEPARTMENT OF STATE APPROPRIATIONS ACT,
4	1989.—Section 306 of the Department of State Appro-
5	priations Act, 1989 (Public Law 100-459) is repealed.
6	(k) DEPARTMENT OF DEFENSE APPROPRIATIONS
17	ACT, FISCAL YEAR 1989.—Section 8125 of the Depart-
8	ment of Defense Appropriations Act, Fiscal Year 1989
19	(Public Law 100-463) is amended by striking subsection
20	(c).
21	(1) STATE DEPARTMENT BASIC AUTHORITIES ACT
	of 1956.—(1) Section 35 of the State Department Basic
23	Authorities Act of 1956 (22 U.S.C. 2707) is amended—
24	(A) in subsection (a) by striking "(hereafter"
25	and all that follows before the period; and

1	(B) in subsection (b)—
2	(i) by striking "The" and all that follows
3	through "shall—" and inserting the following:
4	"The Secretary of State shall be responsible for formula-
5	tion, coordination, and oversight of international commu-
6	nications and information policy. The Secretary of State
7	shall—";
8	(ii) by redesignating paragraphs (1)
9	through (7) as paragraphs (2) through (8), re-
10	spectively;
11	(iii) by inserting before paragraph (2) (as
12	so redesignated) a new paragraph (1) as fol-
13	lows:
14	"(1) exercise primary authority for the conduct
15	of foreign policy with respect to telecommunications,
16	including the determination of United States posi-
17	tions and the conduct of United States participation
18	in bilateral and multilateral negotiations with for-
19	eign governments and in international bodies;";
20	(iv) in paragraph (2), (I) by striking "with
21	the bureaus and offices of the Department of
22	State and", and (II) by inserting before the
2.3	semicolon "and with the Federal Communica-
24	tions Commission, as appropriate"; and

1	(v) in paragraph (4), by striking "the Sen-
2	ior Interagency Group on International Com-
3	munications and Information Policy" and in-
4	serting "any senior interagency policy-making
5	group on international telecommunications and
6	information policy".
7	(2) Section 3 of the State Department Basic Authori-
8	ties Act of 1956 (22 U.S.C. 2670) is amended—
9	(A) by striking "and" at the end of subsection
10	(k);
11	(B) by striking the period at the end of sub-
12	section (l); and
13	(C) by adding at the end the following:
14	"(m) establish, maintain, and operate passport
15	and dispatch agencies.".
16	(3) Section 2 of the State Department Basic Authori-
17	ties Act of 1956 is amended by striking "(l) pay" and
18	inserting "(m) pay".
19	(m) REFUGEE ACT OF 1980.—The Refugee Act of
20	1980 (Public Law 96-212) is amended—
21	(1) in the heading for title III. by striking
22	"UNITED STATES COORDINATOR FOR REF-
23	UGEE AFFAIRS AND";
24	(2) by striking the heading for part A;
25	(3) by repealing section 301; and

1	(4) by striking the heading for part B.
2	(n) Immigration and Nationality Act:—
3	(1) Section 411(b) of the Immigration and Na-
4	tionality Act (8 U.S.C. 1521(b)) is amended by
5	striking "and under the general policy guidance of
6	the United States Coordinator for Refugee Affairs
7	(hereinafter in this chapter referred to as the 'Coor-
8	dinator')" and inserting "the Secretary of State".
9	(2) Section 412 of the Immigration and Nation-
0	ality Act (8 U.S.C. 1522) is amended—
1	(A) in subsection (a)(2)(A), by striking ",
2	together with the Coordinator,";
3	(B) in subsections $(b)(3)$ and $(b)(4)$ , by
4	striking "in consultation with the Coordina-
5	tor."; and
6	(C) in subsection (e)(7)(C), by striking ",
7	in consultation with the United States Coordi-
8	nator for Refugee Affairs,".
9	(3) Section 413(a) of the Immigration and Na-
20	tionality Act (8 U.S.C. 1523) is amended by striking
21	", in consultation with the Coordinator,".
22	(0) STATE DEPARTMENT BASIC AUTHORITIES
23	Act.—Title II of the State Department Basic Authorities
24	Act (22 U.S.C. 4301 et seq.) is amended—

1	(1) in section 202(a) by striking paragraph (3)
2	and redesignating paragraphs (4) through (8) as
3	paragraphs (3) through (7);
4	(2) in section 203 by amending such section to
5	read as follows:
6	"AUTHORITIES OF THE SECRETARY OF STATE
7	"SEC. 203. The Secretary is authorized to-
8	"(1) assist agencies of Federal, State, and mu-
9	nicipal government with regard to ascertaining and
0	according benefits, privileges, and immunities to
1	which a foreign mission may be entitled;
2	"(2) provide or assist in the provision of bene-
3	fits for or on behalf of a foreign mission in accord-
4	ance with section 204;
5	"(3) dispose of property acquired in carrying
.6	out the purposes of this Act; and
7	"(4) designate an office within the Department
8	of State to carry out the purposes of this Act. In the
19	event such an office is established, the President
20	may appoint, by and with the advice and consent of
21	the Senate, a Director, with the rank of ambassador.
22	Furthermore, of the Director and the next most sen-
23	ior person in the office, one should be an individual
24	who has served in the United States Foreign Service
25	while the other should be an individual who has

1	served in the United States intelligence community;
2	and;
3	"(5) perform such other functions as the Sec-
4	retary may determine necessary in furtherance of
5	the policy of this title.".
6	(3) in section 20 <del>1</del> —
7	(A) in subsections (a), (b), and (c), by
8	striking "Director" each place it appears and
9	inserting "Secretary"; and
0	(B) in paragraph (d), by striking "the Di-
1 1	rector or any other" and inserting "any";
12	(4) in section 204A, by striking "Director"
13	each place it appears and inserting "Secretary";
14	(5) in section 205—
15	(A) in subsection (a), by striking "Direc-
16	tor" and inserting "Secretary"; and
17	(B) in subsection (c)(2) by striking "au-
18	thorize the Director to"; and
19	(6) in section 208—
20	(A) in subsection (d) by striking "Direc-
21	tor" and inserting in its place "Secretary";
22	(B) in subsections (c), (e), and (f), by
23	striking "Office of Foreign Missions" each
24	place it appears and inserting "Department of
25	State", and

1	(C) in subsection (h)(2) by striking "Di-
2	rector or the".
3	SEC. 134. DIRECTOR GENERAL OF THE FOREIGN SERVICE.
4	Section 208 of the Foreign Service Act of 1980 (22
5	U.S.C. 3928) is amended to read as follows:
6	"SEC. 208. DIRECTOR GENERAL OF THE FOREIGN SERVICE.
7	"The President may appoint, with the advice and
8	consent of the Senate, a Director General of the Foreign
9	Service, who shall be a career member of the Senior For-
0	eign Service. The Director General should assist the Sec-
1	retary of State in the management of the Service and per-
2	form such functions as the Secretary of State may
3	prescibe.".
14	PART D—PERSONNEL
14	PART D—PERSONNEL SEC. 141. LABOR-MANAGEMENT RELATIONS.
15	SEC. 141. LABOR-MANAGEMENT RELATIONS.
15	SEC. 141. LABOR-MANAGEMENT RELATIONS.  Section 1017(e) of the Foreign Service Act of 1980
15 16 17	SEC. 141. LABOR-MANAGEMENT RELATIONS.  Section 1017(e) of the Foreign Service Act of 1980 is amended to read as follows:
15 16 17 18	SEC. 141. LABOR-MANAGEMENT RELATIONS.  Section 1017(e) of the Foreign Service Act of 1980 is amended to read as follows:  "(e)(1) Notwithstanding any other provision of this
15 16 17 18	SEC. 141. LABOR-MANAGEMENT RELATIONS.  Section 1017(e) of the Foreign Service Act of 1980 is amended to read as follows:  "(e)(1) Notwithstanding any other provision of this chapter, participation in the management of a labor orga-
15 16 17 18 19	SEC. 141. LABOR-MANAGEMENT RELATIONS.  Section 1017(e) of the Foreign Service Act of 1980 is amended to read as follows:  "(e)(1) Notwithstanding any other provision of this chapter, participation in the management of a labor organization or acting as a representative of a labor organization.
15 16 17 18 19 20 21	SEC. 141. LABOR-MANAGEMENT RELATIONS.  Section 1017(e) of the Foreign Service Act of 1980 is amended to read as follows:  "(e)(1) Notwithstanding any other provision of this chapter, participation in the management of a labor organization or acting as a representative of a labor organization is prohibited under this chapter—
15 16 17 18 19 20 21	SEC. 141. LABOR-MANAGEMENT RELATIONS.  Section 1017(e) of the Foreign Service Act of 1980 is amended to read as follows:  "(e)(1) Notwithstanding any other provision of this chapter, participation in the management of a labor organization or acting as a representative of a labor organization is prohibited under this chapter—  "(A) on the part of any management official or
15 16 17 18 19 20 21 22 23	SEC. 141. LABOR-MANAGEMENT RELATIONS.  Section 1017(e) of the Foreign Service Act of 1980 is amended to read as follows:  "(e)(1) Notwithstanding any other provision of this chapter, participation in the management of a labor organization or acting as a representative of a labor organization is prohibited under this chapter—  "(A) on the part of any management official or confidential employee; or

apparent conflict of interest or would otherwise be 1 2 incompatible with law or with the official functions 3 of such employee. "(2) For the purposes of paragraph (1), the term 4 5 'management official' shall include all members of the 6 Senior Foreign Service.".S6201 7 SEC. 142. VOLUNTARY RETIREMENT INCENTIVE PROGRAM. (a) PROGRAM AUTHORITY.—For the fiscal years 9 1994 and 1995 and subject to the availability of appro-10 priations, the Secretary of State is authorized to establish and administer a program to provide financial incentives for retirement to certain members of the Foreign Service 13 at the Department of State who are eligible for retirement. 14 (b) CAP ON INCENTIVE AMOUNT.—The financial incentive paid to any eligible individual pursuant to this sec-16 tion may not exceed the lesser of-17 (1) the minimum amount determined by the 18 Secretary of State to be necessary to achieve the de-19 sired number of retirements: or 20 (2) \$25.000. (c) COST NEUTRALITY OR SAVINGS.—The Secretary 21 shall ensure that the total cost of financial incentives paid 23 to eligible individuals under any program established pur-24 suant to the authority of subsection (a) during the fiscal 25 years 1994 and 1995 does not exceed the total cost the

1	Department would have incurred for pay and other per-
2	sonnel benefits during such period for such eligible individ-
3	uals had they not retired.
4	(d) RELATIONSHIP TO OTHER GOVERNMENT BENE-
5	FITS.—The amount paid to any eligible individual pursu-
6	ant to the authority of subsection (a) may not-
7	(1) be the basis for payment of, and may not
8	be included in the computation of, any other mone-
9	tary benefit payable with respect to such individual
10	by the Federal Government; and
11	(2) be taken into account for purposes of deter-
12	mining the amount of any severance pay to which
13	such eligible individual is entitled under any other
14	provision of law based on any other separation from
15	employment by the Federal Government.
16	SEC. 143. WAIVER OF LIMIT FOR CERTAIN CLAIMS FOR
17	PERSONAL PROPERTY DAMAGE OR LOSS.
18	(a) CLAIMS RESULTING FROM EMERGENCY EVACU-
19	ATION IN A FOREIGN COUNTRY.—Subsection 3721(b) of
20	title 31 of the United States Code is amended—
21	(1) by inserting "(1)" after "(b)"; and
22	(2) by adding after paragraph (1) the following
23	new paragraph:
24	"(2) The Secretary of State may waive the loss
25	limitation under paragraph (1) for claims for dam-

1	age or loss by United States Government personnel
2	subject to a chief of mission in a foreign country
3	whose claims arose from an emergency evacuation or
4	departure authorized or ordered as provided under
5	section 5522(a) of title 5 of the United States Code,
6	if the Secretary determines that exceptional cir-
7	cumstances warrant such a waiver.".
8	(b) RETROACTIVE APPLICATION.—The amendments
9	made by subsection (a) shall apply with respect to claims
10	arising on or after October 31, 1988.
11	SEC. 144. SALARIES OF CHIEFS OF MISSION.
12	Section 401(a) of the Foreign Service Act of 1980
13	(22 U.S.C. 3961(a)) is amended—
14	(1) by striking ", exclusive of danger pay,"; and
15	(2) by striking "not exceed the annual rate pay-
16	able for level I of such Executive Schedule", and in-
17	serting "be subject to the limitation on certain pay-
18	ments under section 5307 of title 5 of the United
19	States Code".
20	SEC. 145. SENIOR FOREIGN SERVICE PERFORMANCE PAY.
21	(a) LIMITATION ON CERTAIN PAYMENTS.—Section
22	405(b)(4) of the Foreign Service Act of 1980 (22 U.S.C.
23	(965(b)(4)) is amended to read as follows:

	90
1	"(4) Any award under this section shall be sub-
2	ject to the limitation on certain payments under sec-
3	tion 5307 of title 5 of the United States Code.
4	(b) PROHIBITION ON PERFORMANCE PAY AWARDS IN
5	CERTAIN YEARS.—Section 405 of the Foreign Service Act
6	(22 U.S.C. 3965j) is amended by adding at the end the
7	following:
8	"(e)(1) Notwithstanding any other provision of this
9	section, performance pay awards and payments may not
0	be made under this section for a fiscal year by any agency
1	subject to an agency-wide reduction in force for budgetary
12	reasons during that fiscal year.
13	"(2) No additional performance pay awards or pay
14	ments may be made in any subsequent fiscal year to com-
15	pensate for the prohibition under paragraph (1).".
16	SEC. 146. REASSIGNMENT AND RETIREMENT OF FORMER
17	PRESIDENTIAL APPOINTEES.
18	Section 813 of the Foreign Service Act of 1980 (25
19	U.S.C. 4053) is amended to read as follows:
20	"(a) If a participant completes an assignment unde
21	section 302(b) in a position to which the participant wa
22	appointed by the President, and is not otherwise eligible
23	for retirement, the participant shall be reassigned within
24	90 days after the termination of such assignment and an

25 period of authorized leave.

1	"(b) If a participant completes an assignment under
2	section 302(b) in a position to which the participant was
3	appointed by the President, and is eligible for retirement,
4	and is not reassigned within 90 days after the termination
5	of such assignment and any period of authorized leave.
6	the participant shall be retired from the Service and re-
7	ceive retirement benefits in accordance with section 806.".
8	SEC. 147. LIMITATION ON APPOINTMENTS TO SENIOR FOR-
9	EIGN SERVICE.
10	(a) In General.—Subject to subsection (b), for each
11	of the fiscal years 1994 and 1995, the number of appoint-
12	ments to the Senior Foreign Service may not exceed 50
13	percent of the total number of terminations, retirements.
14	and separations from the Senior Foreign Service in the
15	preceding fiscal year.
16	(b) APPLICATION.—For purposes of subsection (a)
17	the following shall be excluded in the calculation and appli-
18	cation of the limitation in subsection (a):
19	(1) Appointments to the Senior Foreign Service
20	by the Secretary of Commerce.
21	(2) Members of the Senior Foreign Service as-
22	signed to the Peace Corps.
23	(3) Limited appointments in the Senior Foreign
24	Service.

1	SEC. 148. REPORT ON CLASSIFICATION OF SENIOR FOR-
2	EIGN SERVICE POSITIONS.
3	(a) AUDIT AND REVIEW.—Within 180 days after the
4	date of the enactment of this Act, the Director of the Of-
5	fice of Personnel Management shall conduct a classifica-
6	tion audit of all Senior Foreign Service positions in Wash-
7	ington, District of Columbia, assigned to the Department
8	of State, the Agency for International Development, and
9	the United States Information Agency and shall review the
10	methods of classification of such positions.
11	(b) REPORT.—Not later than 180 days after the date
12	of enactment of this Act, the Director shall submit a re-
13	port of such audit and review to the Committee on Foreign
14	Affairs of the House of Representatives and the Commit-
15	tee on Foreign Relations of the Senate.
16	SEC. 149. LIMITATION ON NUMBER OF LIMITED CAREER
17	EXTENSIONS.
18	Section 609(b) of the Foreign Service Act of 1980
19	(22 U.S.C. 4007(b)) is amended by adding at the end "Ef-
20	fective September 30, 1994, the number of members of
21	the Senior Foreign Service serving under such limited ca-
22	reer extensions may not exceed 10 percent of the total
23	number of members of the Service who are eligible to serve
24	under a limited extension.".

## PART E-INTERNATIONAL ORGANIZATIONS SEC. 161. INTERNATIONAL ATOMIC ENERGY AGENCY SAFE-3 GUARDS. (a) PURPOSE.—It is the purpose of this section to 4 5 secure improvements in the effectiveness of International Atomic Energy Agency safeguards. (b) DEFINITIONS.—As used in this section— 7 (1) the term "IAEA" means the International 8 9 Atomic Energy Agency; 10 (2) the term "non-nuclear-weapon state" means any country which is not a nuclear-weapon state, as 11 12 defined by Article IX(3) of the Treaty on the Non-13 Proliferation of Nuclear Weapons, signed at Wash-14 ington, London, and Moscow on July 1, 1968; (3) the term "nuclear-weapon state" has the 15 meaning given to such term by Article IX(3) of such 16 Treaty: and 17 (4) the term "special fissionable material" has 18 the meaning given to such term by Article XX(1) of 19 20 the Statute of the International Atomic Energy Agency, done at the Headquarters of the United Na-21 tions on October 26, 1956. 22 23 (c) REFORMS IN IAEA SAFEGUARDS.—The Presi-24 dent shall direct the United States representatives to the 25 IAEA to work toward the early adoption of reforms in the

1	implementation of the safeguards responsibilities of the
2	IAEA, including the following:
3	(1) Improving the ability of the IAEA to detect
4	within any non-nuclear-weapon state, nuclear facili-
5	ties, whether or not declared by that state, that are
6	capable of producing, processing, or fabricating spe-
7	cial fissionable material suitable for use in a nuclear
8	explosive device.
9	(2) Increasing the transparency of international
10	nuclear commerce.
11	(3) Examining the feasibility of increasing the
12	scope of safeguards to include all activities and fa-
13	cilities which could significantly contribute to the ac-
14	quisition or production of nuclear explosive devices.
15	(4) Improving the access of the LAEA to infor-
16	mation about the nuclear activities of member states
17	of the IAEA.
18	(5) Examining the practicality and advisability
19	of the LAEA conducting less frequent inspections at
20	nuclear facilities in member states which-
21	(A) provide advance consent for the LAEA
22	to conduct unrestricted, short notice inspections
23	of any facility, whether or not declared by the
24	state;

1	(B) accept IAEA safeguards for the con-
2	struction of new facilities or the modification of
3	existing facilities which fall under the scope of
4	IAEA safeguards; and
5	(C) accept any inspectors of the LAEA who
6	are approved by the Board of Governors of the
7	IAEA, agree not to limit the number of such in-
8	spectors, and waive visa requirements for such
9	inspectors.
10	(d) REPORTING REQUIREMENT.—The President
11	shall, in the report required by section 601(a) of the Nu-
12	clear Non-Proliferation Act of 1978, describe—
13	(1) the steps he has taken and plans to take to
14	implement each of the objectives set forth in sub-
15	section (e);
16	(2) the progress that has been made and the
17	obstacles that have been encountered in seeking to
18	meet the objectives set forth in subsection (c);
19	(3) any other steps he has taken or plans to
20	take to strengthen the implementation of IAEA safe-
21	guards;
22	(4) the steps the LAEA has taken to implement
23	each of the objectives set forth in subsection (c); and
24	(5) any other steps the LAEA has taken to
25	strengthen the implementation of IAEA safeguards.

1	(e) REPORT ON FUNDING.—Within one year after the
2	date of the enactment of this Act, the President shall sub-
3	mit to the Congress a report assessing what additional
4	funds are required for the IAEA to implement the objec-
5	tives set forth in subsection (c) and what funds the United
6	States plans to contribute to the IAEA over the next 5
7	fiscal years.
8	SEC. 162. AGREEMENT ON STATE AND LOCAL TAXATION OF
9	FOREIGN EMPLOYEES OF PUBLIC INTER-
0	NATIONAL ORGANIZATIONS.
1	The President is hereby authorized to bring into force
2	for the United States the Agreement on State and Local
3	Taxation of Foreign Employees of Public International
4	Organizations, which was signed by the United States on
5	April 21, 1992.
6	SEC. 163. REFORM IN BUDGET DECISIONMAKING PROCE-
7	DURES OF THE UNITED NATIONS AND ITS
8	SPECIALIZED AGENCIES.
9	(a) Assessed Contributions.—For assessed con-
0.	tributions authorized to be appropriated by section 103
.1	of this Act, the President may withhold 20 percent of the
2	funds appropriated for the United States assessed con-
13	tribution to the United Nations or to any of its specialized
1	agencies for any calendar year if the Secretary of State
15	determines that the United Nations or any such agency

- 1 has failed to implement or to continue to implement con-
- 2 sensus-based decisionmaking procedures on budgetary
- 3 matters which assure that sufficient attention is paid to
- 4 the views of the United States and other member states
- 5 who are major financial contributors to such assessed
- 6 budgets.
- 7 (b) NOTICE TO CONGRESS.—The President shall no-
- 8 tify the Congress when a decision is made to withhold any
- 9 share of the United States assessed contribution to the
- 10 United Nations or its specialized agencies pursuant to
- 11 subsection (a) and shall notify the Congress when the deci-
- 12 sion is made to pay any previously withheld assessed con-
- 13 tribution. A notification under this subsection shall include
- 14 appropriate consultation between the President (or his
- 15 representative) and the Committee on Foreign Affairs of
- 16 the House of Representatives and the Committee on For-
- 17 eign Relations of the Senate.
- 18 (c) CONTRIBUTIONS FOR PRIOR YEARS.—Subject to
- 19 the availability of appropriations, payment of assessed
- 20 contributions for prior years may be made to the United
- 21 Nations or any of its specialized agencies notwithstanding
- 22 subsection (a) of this section, section 405 of the Foreign
- 23 Relations Authorization Act, Fiscal Years 1990 and 1991
- 24 (Public Law 101-246) and section 143 of the Foreign Re-
- 25 lations Authorization Act, Fiscal Years 1986 and 1987

(Public Law 99-93) if such payment would further United States interests in that organization. SEC. 164. INTERNATIONAL BOUNDARY AND WATER COM-4 MISSION. (a) AUTHORIZATION TO RECEIVE PAYMENTS.—Sec-5 tion 2 of the American-Mexican Chamizal Convention Act of 1964 (Public Law 88-300; 22 U.S.C. 277d-18) is amended-8 (1) by inserting "(a)" before "The"; and 9 10 (2) by adding at the end the following new sub-11 sections: "(b) The United States Commissioner is authorized 12 to receive payments of money from public or private 13 sources in the United States or Mexico made for the purpose of sharing in the cost of replacement of the Bridge of the Americas which crosses the Rio Grande between El Paso, Texas and Cd. Juarez, Chihuahua. Notwithstanding any other provision of law, such payments of money shall be credited to any appropriation to the Commission which 20 is currently available. Funds received under this subsection shall be available only for the replacement of such 21 22 bridge. 23 "(c) The authority of subsection (b) may be exercised only to the extent or in such amounts as are provided in 24 advance in appropriation Acts.".

- 1 (b) EXPENDITURES FOR WATER POLLUTION PROB-
- 2 LEMS.—Title I of the Act of June 20, 1956 (70 Stat. 302,
- 3 22 U.S.C. 277d-12), is amended in the fourth undesig-
- 4 nated paragraph under the heading "INTERNATIONAL
- 5 BOUNDARY AND WATER COMMISSION, UNITED STATES
- 6 AND MEXICO" by striking "Tijuana Rivers," and all that
- 7 follows before the period and inserting "Tijuana Rivers,
- 8 or other streams running across or near the boundary, and
- 9 for taking emergency actions to protect against health
- 10 threatening surface and ground water pollution problems
- 11 along the United States-Mexico boundary".
- 12 (c) FALCON AND AMISTAD DAMS MAINTENANCE
- 13 FUND.—Section 2 of the Act of June 18, 1954 (68 Stat.
- 14 255, as amended by the Act of December 23, 1963, 77
- 15 Stat. 475) is amended to read as follows:
- 16 "Sec. 2. (a) A separate fund, known as the 'Falcon
- 17 and Amistad Operating and Maintenance Fund' (herein-
- 18 after referred to as the 'Maintenance Fund'), shall be cre-
- 19 ated in the Treasury of the United States. The Mainte-
- 20 nance Fund shall be administered by the Administrator
- 21 of the Western Area Power Administration for use by the
- 22 Commissioner of the United States Section of the Inter-
- 23 national Boundary and Water Commission to defray oper-
- 24 ation, maintenance, and emergency costs for the hydro-
- 25 electric facilities at the Falcon and Amistad Dams.

- "(b) All revenues collected in connection with the dis-1 2 position of electric power generated at the Falcon and 3 Amistad Dams shall be credited to the Maintenance Fund 4 and shall remain available until expended, without further appropriation, for defraving operation, maintenance, and 6 emergency costs for the hydroelectric facilities at the 7 dams "(c) The authority of subsection (b) may be exercised 8 only to the extent or in such amounts as are provided in advance in appropriation Acts. "(d) All moneys received from the Government of 11 Mexico for any energy which might be delivered to that 12 Government by the United States Section of the Inter-13 14 national Boundary and Water Commission pursuant to any special agreement concluded in accordance with Arti-16 cle 19 of the said Treaty shall be credited to the General Fund of the Treasury of the United States.". SEC. 165. UNITED STATES MEMBERSHIP IN THE ASIAN-PA-18 CIFIC ECONOMIC COOPERATION ORGANIZA-19 20 TION. (a) UNITED STATES MEMBERSHIP.—The President 21 is authorized to maintain membership of the United States 22 in the Asian-Pacific Economic Cooperation (APEC). 23
- (b) PAYMENT OF ASSESSED CONTRIBUTIONS.—For
   fiscal year 1994 and for each fiscal year thereafter, the

United States assessed contributions to APEC may be paid from funds appropriated for "Contributions to International Organizations". 4 PART F-MISCELLANEOUS PROVISIONS SEC. 181. WOMEN'S HUMAN RIGHTS PROTECTION 5 6 (a) SENSE OF CONGRESS.—The Congress makes the 7 following declarations: 8 (1) The State Department should designate 9 within the appropriate bureau a special assistant to 10 the Assistant Secretary to promote international women's human rights within the overall human 11 12 rights policy of the United States Government. 13 (2) The purpose of assigning a special assistant 14 on women's human rights issues is not to segregate 15 such issues, but rather to assure that they are con-16 sidered along with other human rights issues in the 17 development of United States foreign policy. 18 (3) A specifically designated special assistant is 19 necessary because within the human rights field and 20 the foreign policy establishment, the issues of gen-21 de .- based discrimination and violence against women 27 have long been ignored or made invisible. 23 (4) The Congress believes that abuses against 24 women would have greater visibility and protection 25 of women's human rights would improve if the advo-

	1.1
1	cate were responsible for integrating women's
2	human rights issues into United States human
3	rights policy in ways including, but not limited to,
4	the following:
5	(A) The designated women's human rights
6	advocate would seek to assure that the issue of
7	abuses against women, along with human rights
8	issues generally, are a factor in determining ap-
9	propriate recipients for United States bilateral
10	assistance as well as United States votes at the
11	multilateral development banks.
12	(B) The advocate would work with the re-
13	gional bureaus of the Department of State to
14	devise strategies for the executive branch to
15	bring pressure to bear on governments that en-
16	gage in violence or systematic discrimination
17	against women or fail to afford equal treatment
18	of women before the law.
19	(C) The advocate would, in consultation
20	with the bureau responsible for international or-
21	ganizations, pursue strategies to increase the
22	visibility and integration of gender-based per-
23	secution and violence in multilateral fora in-

cluding, but not limited to, the United States

1	Commission on Human Rights and the Working
2	Group on Torture.
3	(D) The advocate would seek to assure
4	that the United States Trade Representative
5	conduct inquiries and take steps to prevent
6	countries from receiving trade benefits under
7	the Generalized System of Preferences and
8	most favored nation status where governments
9	fail to address violence, systematic discrimina-
10	tion, and exploitation of women workers.
11	(E) The advocate would seek to assure
12	that the protection of women's human rights,
13	including womens' participation in the political
14	process, women's right to freedom of associa-
15	tion and expression, and freedom from discrimi-
16	nation, would be addressed in the context of
17	United States funded programs in the area of
18	democracy including, but not limited to, democ-
19	racy programs at the Agency for International
20	Development (AID), democracy programs for
21	Eastern Europe funded by the Support Eastern
22	European Democracy (SEED) legislation, and
23	new programs that may be contemplated.
24	(F) The advocate would seek to assure

that United States assistance programs in the

1	area of administration of justice include efforts
2	to redress violations of women's rights.
3	(G) The advocate would work with AID
4	and the appropriate office at the Department of
5	State to secure funding for programs to meet
6	the needs of women victims of human rights
7	abuses including, but not limited to, medical
8	and psychological assistance for rape victims.
9	(H) The advocate would work to assure
0	United States ratification of the United Nations
1	Convention on the Elimination of All Forms of
2	Discrimination Against Women (CEDAW) and
3	oversee the preparation of reports pursuant to
4	that Convention.
5	(I) The advocate would seek to upgrade
6	the quality and quantity of information about
7	abuses of women's human rights in the report-
8	ing from United States embassies overseas, in-
9	corporate that information not only in the State
20	Department Country Reports on Human
21	Rights, but also in other public statements and
22	documents including, but not limited to, con-
23	gressional testimony and private demarches.
24	the Congressional Notification —

i	(1) Not later than one year after the date of
2	enactment of this Act, the Secretary of State shall
3	notify the Congress of the steps taken to create the
4	position described in subsection (a) or to otherwise
5	fulfill the objectives detailed in that subsection.
6	(2) If the United Nations Convention on the
7	Elimination of All Forms of Discrimination Against
8	Women (CEDAW) has not been submitted to the
9	Senate for ratification, not more than 90 days after
10	the date of enactment of this Act, the Secretary of
11	State shall notify the Congress, in writing, of the ad-
12	ministration's position on the ratification of
13	CEDAW and timetable for submission of CEDAW
14	for congressional consideration and approval.
15	SEC. 182. PUBLISHING INTERNATIONAL AGREEMENTS.
16	Section 112a of title 1 of the United States Code is
17	amended—
18	(1) by inserting "(a)" immediately before "The
19	Secretary of State"; and
20	(2) by adding at the end the following new sub-
21	sections:
22	"(h) The Secretary of State may determine that pub-
23	
24	if the following criteria are met:

"(1) such agreements are not treaties which 1 have been brought into force for the United States 2 3 after having received Senate advice and consent pursuant to section 2(2) of Article II of the Con-4 stitution of the United States: 5 6 "(2) the public interest in such agreements is insufficient to justify their publication, because (A) 7 as of the date of enactment of the Foreign Relations 8 Authorization Act. Fiscal Years 1994 and 1995, the 9 agreements are no longer in force, (B) the agree-10 11 ments do not create private rights or duties, nor establish standards intended to govern government ac-12 tion in the treatment of private individuals; (C) in 13 view of the limited or specialized nature of the public 14 15 interest in such agreements, such interest can ade-16 quately be satisfied by an alternative means; or (D) the public disclosure of the text of the agreement 17 would, in the opinion of the President, be prejudicial 18 to the national security of the United States; and 19 "(3) copies of such agreements (other than 20 21 those in paragraph (2)(B)(iv)), including certified copies where necessary for litigation or similar pur-22 poses, will be made available by the Department of 23

24

State upon request.

1	"(c) Any determination pursuant to subsection (b)
2	shall be published in the Federal Register.".
3	SEC. 183. MIGRATION AND REFUGEE AMENDMENTS.
4	(a) MIGRATION AND REFUGEE ASSISTANCE ACT
5	AMENDMENTS.—
6	(1) The Migration and Refugee Assistance Act
7	of 1962 (22 U.S.C. 2601) is amended—
8	(A) in section 2 by striking "the Intergov-
9	ernmental Committee for European Migration"
10	and inserting "the International Organization
11	for Migration" each place it appears;
12	(B) in section 2 by striking "Committee"
13	and inserting "Organization" each place it ap-
14	pears;
15	(C) in the first sentence of section 2(a) by
16	inserting before the period ", as amended in
17	Geneva, Switzerland, on May 20, 1987"; and
18	(D) in section 2(e)(2), by striking
19	"\$50,000,000" and inserting "\$100,000,000".
20	(2) Section 745 of Public Law 100-204 (22
21	U.S.C. 2601 note) is repealed.
22	SEC. 184. UNITED NATIONS SECURITY COUNCIL MEM-
23	BERSHIP.
24	(a) FINDINGS.—The Congress makes the following
2.5	findings

1 (1) The effectiveness of the United Nations Security Council in maintaining international peace 2 3 and security depends on its being representative of 4 the membership of the United Nations. 5 (2) The requirement of equitable geographic distribution in Article 23 of the United Nations 6 7 Charter requires that the members of the Security Council of the United Nations be chosen by non-8 discriminatory means. 9 10 (3) The use of informal regional groups of the 11 General Assembly as the sole means for election of 12 the nonpermanent members of the Security Council 13 is inherently discriminatory in the absence of guar-14 antees that all member states will have the oppor-15 tunity to join a regional group, and has resulted in 16 discrimination against Israel. 17 (b) SENSE OF CONGRESS.—It is the sense of the Con-18 gress that the President should direct the Secretary of 19 State to request the Secretary-General of the United Na-20 tions to seek immediate resolution of this problem. The 21 President shall inform the Congress of any progress in resolving this situation together with the submission to Con-22 gress of the request for funding for the Contributions to 24 International Organizations account for the fiscal year

25 1995.

1	SEC. 185. PERFORMANCE OF LONGSHORE WORK BY ALIEN
2	CREWMEN.
3	(a) REPEAL OF RECIPROCITY EXCEPTION.—Section
4	258(d) of the Immigration and Nationality Act (8 U.S.C.
5	1288(d)) is repealed.
6	(b) CONFORMING AMENDMENT.—Section 258(a) of
7	that Act is amended by striking "or subsection (d)".
8	SEC. 186. INTERPARLIAMENTARY EXCHANGES.
9	(a) AUTHORIZATIONS OF APPROPRIATIONS.—
10	(1) Section 2 of Public Law 86-420 is
11	amended—
12	(A) by striking "\$100,000" and inserting
13	"\$80,000"; and
14	(B) by striking "\$50,000" both places it
15	appears and inserting "\$40,000".
16	(2) Section 2 of Public Law 86-42 is
17	amended—
18	(A) by striking "\$50,000" and inserting
19	"\$70,000"; and
20	(B) by striking "25,000" both places it ap-
21	pears and inserting "\$35,000".
22	
23	
24	
25	
26	ited in interest-bearing accounts and any interest which

1	accrues shall be deposited, periodically, in a miscellaneous
2	account of the Treasury.
3	SEC. 187. UNITED STATES POLICY CONCERNING OVERSEAS
4	ASSISTANCE TO REFUGEES AND DISPLACED
5	PERSONS.
6	(a) STANDARDS FOR REFUGEE WOMEN AND CHIL-
7	DREN.—The United States Government, in providing for
8	overseas assistance and protection of refugees and dis-
9	placed persons, shall seek to address the protection and
0	provision of basic needs of refugee women and children
1	who represent 80 percent of the world's refugee popu-
2	lation. As called for in the 1991 United Nations High
3	Commissioner for Refugees (UNHCR) "Guidelines on the
4	Protection of Refugee Women," whether directly, or
5	through international organizations and nongovernmental
6	voluntary organizations, the Secretary of State shall
7	ensure—
8	(1) specific attention on the part of the United
9	Nations and relief organizations to recruit and em-
20	ploy female protection officers;
21	(2) implementation of gender awareness train-
22	ing for field staff including, but not limited to, secu-
2.3	rity personnel;

(3) the protection of refugee women and chil-

2	dren from violence and other abuses on the part of
3	governments or insurgent groups;
4	(4) full involvement of women refugees in the
5	planning and implementation of (A) the delivery of
6	services and assistance, and (B) the repatriation
7	process;
8	(5) incorporation of maternal and child health
9	needs into refugee health services and education,
10	specifically to include education on and access to
11	services in reproductive health and birth spacing;
12	(6) the availability of counseling and other serv-
13	ices, grievance processes, and protective services to
14	victims of violence and abuse, including but not lim-
15	ited to rape and domestic violence;
16	(7) the provision of educational programs, par-
17	ticularly literacy and numeracy, vocational and in-
18	come-generation training, and other training efforts
19	promoting self-sufficiency for refugee women, with
20	special emphasis on women heads of household;
21	(8) education for all refugee children, ensuring
22	equal access for girls, and special services and family
23	tracing for unaccompanied refugee minors;

1	(9) the collection of data that clearly enumerate
2	age and gender so that appropriate health, edu-
3	cation, and assistance programs can be planned;
4	(10) the recruitment, hiring, and training of
5	more women program professionals in the inter-
6	national humanitarian field; and
7	(11) gender-specific training for program staff
8	of the United Nations High Commissioner for Refu-
9	gees (UNHCR) and nongovernmental voluntary or-
0	ganizations on implementation of the 1991 UNHCR
1	"Guidelines on the Protection of Refugee Women".
2	(b) PROCEDURES.—The Secretary of State shall
3	adopt specific procedures to ensure that all recipients of
4	United States Government refugee and migration assist-
5	ance funds implement the standards outlined in subsection
6	(a).
7	(e) REQUIREMENTS FOR REFUGEE AND MIGRATION
8	Assistance.—The Secretary of State, in providing mi-
9	gration and refugee assistance, should support the protec-
20	tion efforts set forth under this section by raising at the
21	highest levels of government the issue of abuses against
22	refugee women and children by governments or insurgent
23	groups that engage in, permit, or condone—
74	(1) a pattern of gross violations of internation-
25	ally recognized human rights, such as torture or

1	cruel, inhumane, or degrading treatment or punish-
2	ment, prolonged detention without charges, or other
3	flagrant denial to life, liberty, and the security of
4	person;
5	(2) the blockage of humanitarian relief assist-
6	ance;
7	(3) gender-specific persecution such as system-
8	atic individual or mass rape, forced pregnancy,
9	forced abortion, enforced prostitution, any form of
10	indecent assault or act of violence against refugee
11	women, girls, and children; or
12	(4) continuing violations of the integrity of the
13	person against refugee women and children on the
14	part of armed insurgents, local security forces, or
15	camp guards.
16	(d) INVESTIGATION OF REPORTS.—Upon receipt of
17	credible reports of abuses under subsection (c), the Sec-
18	retary of State should immediately investigate such re-
19	ports through emergency fact-finding missions or other
20	means of investigating such reports and help identify ap-
21	propriate remedial measures.
22	(e) MULTILATERAL ORGANIZATIONS.—The United
23	States Government shall use its voice and vote in the Unit-
24	ed Nations and its participation in other multilateral orga-
25	nizations, to promote policies which seek to protect and

- 1 address basic human rights and needs of refugee women
- 2 and children. The Secretary of State shall work to ensure
- 3 that multilateral organizations fully incorporate the needs
- 4 of refugee women and children into all elements of refugee
- 5 assistance programs.
- 6 (f) SENSE OF CONGRESS ON MULTILATERAL IMPLE-
- 7 MENTATION OF THE 1991 UNHCR "GUIDELINES ON THE
- 8 PROTECTION OF REFUGEE WOMEN".—It is the sense of
- 9 the Congress that the President should enter into bilateral
- 10 and multilateral negotiations to encourage other govern-
- 11 ments that provide refugee assistance to adopt refugee as-
- 12 sistance policies designed to encourage full implementation
- 13 of the UNHCR's 1991 "Guidelines on the Protection of
- 14 Refugee Women".
- 15 SEC. 188. TRANSPARENCY IN ARMAMENTS.
- 16 It is the sense of the Congress that—
- 17 (1) no sale of any defense article or defense
- 18 service should be made, no license should be issued
- 19 for the export of any defense article or defense serv-
- 20 ice, and no agreement to transfer in any way any de-
- 21 fense article or defense service should be made to
- 22 any nation that does not fully furnish all pertinent
- 23 data to the United Nations Register of Conventional
- 24 Arms pursuant to United Nations General Assembly

- Resolution 46/36L by the reporting date specified by such register; and
- 3 (2) if a nation has not submitted the required 1 information by the reporting date of a particular 5 vear, but subsequently submits notification to the United Nations that it intends to provide such infor-6 7 mation at the next reporting date, an agreement 8 may be negotiated with the nation or a license may 9 be issued, but the actual delivery of such defense article or service should not occur until that nation 10 submits such information. 11

## 12 SEC. 189. FORM OF SUBMISSION OF JAVITS LIST.

- (a) SUBMISSION.—The President shall submit to the Congress in unclassified form, to the maximum extent possible, the annual report of expected arms sales pursuant to section 25(c) of the Arms Export Control Act (in this section referred to as the "Javits list").
- 18 (b) ADDITIONAL REPORT.—If the President deter19 mines that continued classification of the Javits list is in
  20 the national interest, the President shall submit, in addi21 tion to the Javits list, an unclassified report on how con22 tinued classification of the Javits list affects United States
  23 efforts to promote transparency in the international arms

24 trade.

1	SEC. 190. REVITALIZATION OF THE "PERMANENT FIVE"
2	PROCESS.
3	(a) CONGRESSIONAL DECLARATIONS.—The Congress
4	makes the following findings and declarations:
5	(1) Talks among the five permanent members
6	of the United Nations Security Council ("Perm-5")
7	first established in October 1991 present the best
8	opportunity to negotiate qualitative and quantitative
9	guidelines on conventional arms sales to the develop-
0	ing world.
1	(2) Reconvening of the "Perm-5" talks is an
2	urgent matter of international security.
3	(b) SENSE OF CONGRESS.—It is the sense of the Con-
4	gress that the President should seek to restart "Perm-5"
5	talks and should report to the Congress on the progress
6	of such talks and the effects of United States agreements
7	since October 1991 to sell arms to the developing world.
8	SEC. 191. POLICY ON MIDDLE EAST ARMS SALES.
9	(a) BOYCOTT OF ISRAEL.—Section 322 of the For-
0.	eign Relations Authorization Act, Fiscal Years 1992 and
1	1993 (Public Law 102-138) is amended—
2	(1) in paragraph (2) by striking "and" at the
23	end;
14	(2) in paragraph (3)(A) by striking "and" after
25	the semicolon;

1	(3) in paragraph (3)(B) by striking the period
2	and inserting "; and"; and
3	(4) by adding at the end the following:
4	"(C) does not participate in the Arab
5	League primary or secondary boycott of Is-
6	rael.".
7	(b) REPORT TO CONGRESS.—Not later than 180 days
8	after the date of enactment of this Act, the Secretary of
9	State shall submit a report to the Chairman of the Com-
10	mittee on Foreign Affairs of the House of Representatives
11	and the Chairman of the Committee on Foreign Relations
12	of the Senate concerning steps taken to ensure that the
13	goals of the amendment under subsection (a) are being
14	met.
15	SEC. 192. REPORT ON THE IMPACT OF CONVENTIONAL
16	WEAPONS PROLIFERATION.
16	WEAPONS PROLIFERATION.  Section 36(b) of the Arms Export Control Act (22)
17	Section 36(b) of the Arms Export Control Act (22
17 18	Section 36(b) of the Arms Export Control Act (22 U.S.C. 2776) is amended in paragraph (1) by inserting
17 18 19	Section 36(b) of the Arms Export Control Act (22 U.S.C. 2776) is amended in paragraph (1) by inserting after the first sentence "Each certification shall provide
17 18 19 20	Section 36(b) of the Arms Export Control Act (22 U.S.C. 2776) is amended in paragraph (1) by inserting after the first sentence "Each certification shall provide an evaluation of the manner in which the proposed sale
17 18 19 20 21	Section 36(b) of the Arms Export Control Act (22 U.S.C. 2776) is amended in paragraph (1) by inserting after the first sentence "Each certification shall provide an evaluation of the manner in which the proposed sale would meet legitimate defense needs of the foreign country
17 18 19 20 21 22	Section 36(b) of the Arms Export Control Act (22 U.S.C. 2776) is amended in paragraph (1) by inserting after the first sentence "Each certification shall provide an evaluation of the manner in which the proposed sale would meet legitimate defense needs of the foreign country or international organization to which the sale would be

1	TITLE II—UNITED STATES IN-
2	FORMATIONAL, EDU-
3	CATIONAL, AND CULTURAL
4	PROGRAMS
5	PART A—AUTHORIZATION OF APPROPRIATIONS
6	SEC. 201. AUTHORIZATION OF APPROPRIATIONS.
7	The following amounts are authorized to be appro-
8	priated to carry out international information activities,
9	and educational and cultural exchange programs under
0	the United States Information and Educational Exchange
1	Act of 1948, the Mutual Educational and Cultural Ex-
2	change Act of 1961, Reorganization Plan Number 2 of
3	1977, the Radio Broadcasting to Cuba Act, the Television
14	Broadcasting to Cuba Act, the Board for International
15	Broadcasting Act. the Inspector General Act of 1978, the
16	Center for Cultural and Technical Interchange Between
17	North and South Act, the National Endowment for De-
18	mocracy Act, and to carry out other authorities in law con-
19	sistent with such purposes:
20	(1) Salaries and expenses.—For "Salaries
21	and Expenses", \$490,129,000 for the fiscal year
22	1994 and \$503,362,000 for the fiscal year 1995.
23	(2) EDUCATIONAL AND CULTURAL EXCHANGE
24	PROGRAMS.—

1	(A) FULBRIGHT ACADEMIC EXCHANGE
2	PROGRAMS.—For the "Fulbright Academic Ex-
3	change Programs", \$137,043,000 for the fiscal
4	year 1994 and \$140,743,000 for the fiscal year
5	1995.
6	(B) HUBERT H. HUMPHREY FELLOWSHIP
7	PROGRAM.—For the "Hubert H. Humphrey
8	Fellowship Program", \$7,977,000 for the fiscal
9	year 1994 and \$8,192,000 for the fiscal year
10	1995.
11	(C) EDMUND S. MUSKIE FELLOWSHIP
12	PROGRAM.—For the "Edmund S. Muskie Fel-
13	lowship Program". \$7,000,000 for the fiscal
14	year 1994 and \$7,000,000 for the fiscal year
15	1995.
16	(D) INTERNATIONAL VISITORS Pro-
17	GRAM.—For the "International Visitors Pro-
18	gram", \$52,295,000 for the fiscal year 1994
19	and \$53,707,000 for the fiscal year 1995.
20	(E) AMERICAN STUDIES COLLECTIONS.—
21	To the Bureau of Educational and Cultural Af-
22	fairs of the United States Information Agency,
23	for the establishment and support of American
24	studies collections at university libraries abroad,
25	\$2,100,000 for the fiscal year $1994$ and

1	\$2,400,000 for fiscal year 1995, which is au-
2	thorized to remain available until expended.
3	(F) OTHER PROGRAMS.—For "Claude and
4	Mildred Pepper Scholarship Program of the
5	Washington Workshops Foundation", "East
6	Europe Training Projects", "Citizen Exchange
7	Programs". "Congress-Bundestag Exchange
8	Program", "Newly Independent States and
9	Eastern Europe Training", Institute for Rep-
10	resentative Government", "Freedom Support
11	Act Secondary School Exchange", "South Pa-
12	cific Exchanges", and "Arts America",
13	\$41.807,000 for the fiscal year 1994 and
14	\$42,936,000 for the fiscal year 1995.
15	(3) BROADCASTING TO CUBA.—For "Broad-
16	casting to Cuba". \$28,351,000 for the fiscal year
17	1994 and \$28,362,000 for the fiscal year 1995.
18	(4) International broadcasting activi-
19	TIES For "International Broadcasting Activities"
20	under part B. \$578,439,000 for the fiscal year
21	1994, and \$705,811,000 for the fiscal year 1995.
22	(5) Office of the inspector general.—
23	For "Office of the Inspector General", \$4,390,000
24	for the fiscal year 1994 and \$4,396,000 for the fis-
25	cal year 1995.

1	(6) NATIONAL ENDOWMENT FOR DEMOC-
2	RACY.—For "National Endowment for Democracy",
3	\$48,000,000 for the fiscal year 1994 and
4	\$49,296,000 for the fiscal year 1995.
5	(7) CENTER FOR CULTURAL AND TECHNICAL
6	INTERCHANGE BETWEEN EAST AND WEST.—For
7	"Center for Cultural and Technical Interchange be-
8	tween East and West", \$23,000,000 for the fiscal
9	year 1994 and \$23,621,000 for the fiscal year 1995.
10	(8) NORTH/SOUTH CENTER.—For "North/
11	South Center" \$8,000,000 for the fiscal year1994
12	and \$8,000,000 for the fiscal year 1995.
13	(9) Israeli-arab scholarship program.—
14	For "Israeli-Arab Scholarship Program", \$397,000
15	for the fiscal year 1994 and \$407,000 for the fiscal
16	year 1995.
17	PART B—INTERNATIONAL BROADCASTING
18	AUTHORITIES AND ACTIVITIES
19	SEC. 211. SHORT TITLE.
20	This part may be cited as the "International Broad-
21	easting Act of 1993".
22	SEC. 212. FINDINGS AND DECLARATIONS.
23	The Congress makes the following findings and dec-
24	larations of policy:

1	(1) It is the policy of the United States to pro-
2	mote the freedom "to seek, receive and impart infor-
3	mation and ideas through any media and regardless
4	of frontiers", in accordance with article 19 of the
5	Universal Declaration of Human Rights.
6	(2) Open communication among the peoples of
7	the world is in the interests of the United States.
8	(3) It is in the interests of the United States
9	to support broadcasting to other nations consistent
0	with the requirements of this Act.
1	SEC. 213. STANDARDS.
2	International broadcasting supported by United
13	States Government funds shall—
14	(1) be consistent with the broad foreign policy
15	objectives of the United States;
16	(2) be consistent with the international tele-
17	communications policies and treaty obligations of the
18	United States:
19	(3) complement the activities of private United
20	States broadcasters;
21	(4) complement the activities of government
22	supported broadcasting entities of other democratic
23	nations;
24	(5) be conducted in accordance with the highest
25	professional standards of broadcast journalism;

1	(6) be based on reliable information about its
2	potential audience; and
3	(7) be designed so as to effectively reach a sig-
4	nificant audience.
5	SEC. 214. FUNCTIONS.
6	United States international broadcasting shall
7	include—
8	(1) news which is consistently reliable and au-
9	thoritative, accurate, objective, and comprehensive;
0	(2) a balanced and comprehensive projection of
1	American thought and institutions, reflecting the di-
2	versity of American culture and society;
3	(3) clear and effective presentation of the poli-
4	cies of the United States Government and respon-
15	sible discussion and opinion on those policies;
16	(4) programming to meet needs which remain
17	unserved by the totality of media voices available to
18	the people of certain nations;
19	(5) a source of information about developments
20	in each significant region of the world;
21	(6) a forum for a variety of opinions and voices
22	from within particular nations and regions prevented
23	by censorship or repression from speaking to their
24	fellow countrymen;

1 (7) reliable research capacity to meet the cri-2 teria under this section: 3 (8) adequate transmitter and relay capacity to 4 support the activities described in this section; (9) a source of information about developments 5 6 in Asia and a forum for a variety of opinions and 7 voices from within Asian nations whose people do 8 not enjoy freedom of expression; and 9 (10) training and technical support for independent indigenous media through government agen-10 11 cies or private United States entities. 12 SEC. 215. ADMINISTRATION. (a) AUTHORITY OF PRESIDENT.—The President may 13 14 assign responsibility for any of the functions of United States Government supported international broadcasting under this Act to any agency of the United States Govern-17 ment. The President may authorize any public or private 18 entity to carry out the functions described in paragraphs 19 (4), (5), (6), (7), (8), and (9) of section 214(b). 20 (b) GRANTS.—The President and any agency of the 21 United States Government is authorized to make grants 22 to RFE/RL Incorporated or any other public or private 23 entity in order to carry out the functions of paragraphs 24 (4), (5), (6), (7), (8), and (9) of section 214(b). In exercising oversight responsibilities pursuant to any such grant, 25

- 1 an agency shall consider the necessity of maintaining the
- 2 professional independence and integrity of the grantee in
- 3 carrying out such functions.
- 4 SEC. 216. USIA SATELLITE AND TELEVISION.
- 5 The President is authorized to delegate any of the
- 6 authorities and duties under section 505 of the United
- 7 States Information and Educational Exchange Act of
- 8 1948 (22 U.S.C. 1464a) to any agency of the United
- 9 States Government.
- 10 SEC. 217. REPEAL OF BOARD FOR INTERNATIONAL BROAD-
- 11 CASTING ACT.
- 12 The Board for International Broadcasting Act of
- 13 1973 (22 U.S.C. 2871 et seq.) is repealed.
- 14 SEC. 218. CONFORMING AMENDMENTS.
- 15 (a) The Radio Broadcasting to Cuba Act (22 U.S.C.
- 16 1465) is amended by striking out sections 2 and 5.
- 17 (b) The Television Broadcasting to Cuba Act (22
- 18 U.S.C. 1465aa) is amended by striking out section 242.
- 19 (c) The United States Information and Educational
- 20 Exchange Act of 1948 (22 U.S.C. 1463) is amended by
- 21 striking out section 503.
- 22. SEC. 219. ISRAEL RELAY STATION.
- 23 Section 301(c) of the Foreign Relations Authoriza-
- 24 tion Act, Fiscal Years 1990 and 1991, is repealed.

1	SEC. 220. REQUIREMENT FOR AUTHORIZATION OF APPRO-
2	PRIATIONS.
3	(a) Limitation on Obligation and Expenditure
4	OF FUNDS.—Notwithstanding any other provision of law,
5	for the fiscal year 1994 and for each subsequent fiscal
6	year, any funds appropriated for the purposes of this part
7	shall not be available for obligation or expenditure—
8	(1) unless such funds are appropriated pursu-
9	ant to an authorization of appropriations; or
10	(2) in excess of the authorized level of appro-
11	priations.
12	(b) SUBSEQUENT AUTHORIZATION.—The limitation
13	under subsection (a) shall not apply to the extent that an
14	authorization of appropriations is enacted after such funds
15	are appropriated.
16	(c) APPLICATION.—The provisions of this section—
17	(1) may not be superseded, except by a provi-
18	sion of law which specifically repeals, modifies, or
19	supersedes the provisions of this section; and
20	(2) shall not apply to, or affect in any manner.
21	permanent appropriations, trust funds, and other
22	similar accounts which are authorized by law and
23	administered under or pursuant to this part.
24	SEC. 221. REPORT ON ADVERTISING.
25	Not later than one year after the date of enactment
26	of this Act, each agency of the United States Covernment

1	which carries out international broadcasting supported by
2	United States Government funding shall prepare and sub-
3	mit a report to the Congress concerning efforts to sell ad-
4	vertising. Each such report shall include information with
5	respect to the amount of advertising which has been sold,
6	the revenue generated by the sale of advertising, and an
7	evaluation of the potential for sales of advertising.
8	PART C—USIA AND RELATED AGENCIES
9	AUTHORITIES AND ACTIVITIES
10	SEC. 231. SECURITY REQUIREMENTS OF USIA.
11	Section 401(e) of the Omnibus Diplomatic Security
12	and Anti-Terrorism Act of 1986 (22 U.S.C. 4851(e)) is
13	amended—
14	(1) by inserting "(1)" immediately before
15	"Based"; and
16	(2) by adding at the end the following:
17	"(2) Paragraph (1) may not be construed to
18	prohibit separate authorization of appropriations for
19	security requirements of other foreign affairs agen-
20	cies.".
21	SEC. 232. EMPLOYMENT AUTHORITY.
22	Section 804(6) of the United States Information and
23	Educational Exchange Act of 1948 (22 U.S.C. 1474(6))
24	is amended to read as follows:

1	"(6) employ individuals or organizations by con-
2	tract for services to be performed in the United
3	States or abroad, who shall not, by virtue of such
4	employment, be considered to be employees of the
5	United States Government for the purposes of any
6	law administered by the Office of Personnel Manage-
7	ment, except that the Director may determine the
8	applicability to such individuals of paragraph (5) of
9	this section.".
0	SEC. 233. BUYING POWER MAINTENANCE ACCOUNT.
1	Section 704 of the United States Information and
2	Educational Exchange Act of 1948 (22 U.S.C. 1477(b))
3	is amended—
3	(1) by inserting "(1)" after "(c)";
4	(1) by inserting "(1)" after "(c)";
4 5	<ul><li>(1) by inserting "(1)" after "(c)";</li><li>(2) by striking "(1) the" and inserting "(A)";</li></ul>
4 5 6	<ul> <li>(1) by inserting "(1)" after "(c)";</li> <li>(2) by striking "(1) the" and inserting "(A)";</li> <li>(3) by striking "(2)" and inserting "(B)"; and</li> </ul>
4 5 6 7	<ul> <li>(1) by inserting "(1)" after "(c)";</li> <li>(2) by striking "(1) the" and inserting "(A)";</li> <li>(3) by striking "(2)" and inserting "(B)"; and</li> <li>(4) by adding at the end the following new</li> </ul>
4 5 6 7 8	<ul> <li>(1) by inserting "(1)" after "(c)";</li> <li>(2) by striking "(1) the" and inserting "(A)";</li> <li>(3) by striking "(2)" and inserting "(B)"; and</li> <li>(4) by adding at the end the following new paragraphs:</li> </ul>
4 5 6 7 8	<ul> <li>(1) by inserting "(1)" after "(c)";</li> <li>(2) by striking "(1) the" and inserting "(A)";</li> <li>(3) by striking "(2)" and inserting "(B)"; and</li> <li>(4) by adding at the end the following new paragraphs:</li> <li>"(2) In carrying out this subsection, there may</li> </ul>
4 5 6 7 8 9	<ul> <li>(1) by inserting "(1)" after "(c)";</li> <li>(2) by striking "(1) the" and inserting "(A)";</li> <li>(3) by striking "(2)" and inserting "(B)"; and</li> <li>(4) by adding at the end the following new paragraphs:</li> <li>"(2) In carrying out this subsection, there may be established a Buying Power Maintenance account.</li> </ul>
4 5 6 7 8 9 20	(1) by inserting "(1)" after "(c)";  (2) by striking "(1) the" and inserting "(A)";  (3) by striking "(2)" and inserting "(B)"; and  (4) by adding at the end the following new paragraphs:  "(2) In carrying out this subsection, there may be established a Buying Power Maintenance account.  "(3) In order to eliminate substantial gains to
4 5 6 7 8 9 20 21	<ul> <li>(1) by inserting "(1)" after "(c)";</li> <li>(2) by striking "(1) the" and inserting "(A)";</li> <li>(3) by striking "(2)" and inserting "(B)"; and</li> <li>(4) by adding at the end the following new paragraphs:</li> <li>"(2) In carrying out this subsection, there may be established a Buying Power Maintenance account.</li> <li>"(3) In order to eliminate substantial gains to the approved levels of overseas operations for the</li> </ul>

appropriations as the Director determines are excessive to the needs of the approved level of operations under that appropriation account because of fluctuations in foreign currency exchange rates or changes in overseas wages and prices.

(4) In order to offset adverse fluctuations in

"(4) In order to offset adverse fluctuations in foreign currency exchange rates or foreign wages and prices, the Director may transfer from the Buying Power Maintenance account to the Salaries and Expenses appropriation such amounts as the Director determines are necessary to maintain the approved level of operations under that appropriation account.

"(5) Funds transferred by the Director from the Buying Power Maintenance account to another account shall be merged with and be available for the same purpose, and for the same time period, as the funds in that other account. Funds transferred by the Director from another account to the Buying Power Maintenance account shall be merged with the funds in the Buying Power Maintenance account and shall be available for the purposes of that account until expended.

"(6) Any restriction contained in an appropriation Act or other provision of law limiting the

1	amounts available for the United States Information
2	Agency that may be obligated or expended shall be
3	deemed to be adjusted to the extent necessary to off-
4	set the net effect of fluctuations in foreign currency
5	exchange rates or overseas wage and price changes
6	in order to maintain approved levels.
7	"(7)(A) Subject to the limitations contained in
8	this paragraph, not later than the end of the 5th fis-
9	cal year after the fiscal year for which funds are ap-
10	propriated or otherwise made available for the Sala-
11	ries and Expenses account, the Director may trans-
12	fer any unobligated balance of such funds to the
13	Buying Power Maintenance account.
14	"(B) The balance of the Buying Power Mainte-
15	nance account may not exceed \$50,000,000 as a re-
16	sult of any transfer under this paragraph.
17	"(C) Any transfer pursuant to this paragraph
18	shall be treated as a reprogramming of funds under
19	section 705 and shall be available for obligation or
20	expenditure only in accordance with the procedures
21	under such section.
22	"(D) The authorities contained in this section
23	may only be exercised to such an extent and in such
24	amounts as specifically provided in advance in ap-

propriation Acts.".

1	SEC. 234. CONTRACT AUTHORITY.
2	Section 802(b) of the United States Information and
3	Educational Exchange Act of 1948 (22 U.S.C. 1472(b))
4	is amended by adding at the end the following:
5	"(4) Notwithstanding the other provisions of
6	this subsection, the United States Information Agen-
7	cy is authorized to enter into contracts for periods
8	not to exceed 7 years for circuit capacity to distrib-
9	ute radio and television programs.".
10	SEC. 235. APPROPRIATIONS AUTHORITIES.
11	Subsection (f) of section 701 of the United States In-
12	formation and Educational Exchange Act of 1948 (22
13	U.S.C. 1476(f)) is amended by striking paragraph (4).
14	SEC. 236. FUNDS PROVIDED BY OTHER SOURCES.
15	The United States Information and Educational Ex-
16	change Act of 1948 (22 U.S.C. 1431 et seq.) is
17	amended—
18	(1) by repealing title IX; and
19	(2) by adding after section 812 the following
20	new section:
21	"SEC. 813. FUNDS PROVIDED BY OTHER SOURCES.
22	"(a) AUTHORITY.—If the Director of the United
23	States Information Agency determines that it is in the
24	public interest, the Director may accept any funds, prop-
25	erty, or services made available by any government or pri-

- 1 vate entity in the United States or a foreign country to
- 2 be used for the purposes of any program under this Act.
- 3 "(b) Special Account.—Funds received under sub-
- 4 section (a) are authorized to be deposited in a separate
- 5 account in the Treasury of the United States and are au-
- 6 thorized to remain available until expended for the speci-
- 7 fied purpose or to carry out any of the purposes of this
- 8 Act.".
- 9 SEC. 237. TECHNICAL AMENDMENT.
- 10 Section 105 of Public Law 87-256 is amended by
- 11 striking out subsection (a).
- 12 SEC. 238. SEPARATE LEDGER ACCOUNTS FOR NED GRANT-
- 13 EES.
- 14 Section 504(h) of the National Endowment for De-
- 15 mocracy Act (22 U.S.C. 4413(h)) is amended by striking
- 16 "accounts" and inserting "bank accounts or separate self-
- 17 balancing ledger accounts".
- 18 SEC. 239. AMERICAN STUDIES COLLECTIONS.
- 19 (a) AUTHORITY.—In order to promote a thorough
- 20 understanding of the United States among emerging elites
- 21 abroad, the Director of the United States Information
- 22 Agency is authorized to establish and support collections
- 23 at appropriate university libraries abroad to further the
- 24 study of the United States, and to enter into agreements
- 25 with such universities for such purposes.

1	(b) DESIGN AND DEVELOPMENT.—Such
2	collections—
3	(1) shall be developed in consultation with Unit-
4	ed States associations and organizations of scholars
5	in the principal academic disciplines in which Amer-
6	ican studies are conducted; and
7	(2) shall be designed primarily to meet the
8	needs of undergraduate and graduate students of
9	American studies.
10	(c) SITE SELECTION.—In selecting universities
11	abroad as sites for such collections, the Director shall-
12	(1) ensure that such universities are able, with-
13	in a reasonable period of the establishment of such
14	collections, to assume responsibility for their mainte-
15	nance in current form;
16	(2) ensure that undergraduate and graduate
17	students shall enjoy reasonable access to such collec-
18	tions; and
19	(3) include in any agreement entered into be-
20	tween the United States Information Agency and a
21	university abroad, terms embodying a contractual
22	commitment of such maintenance and access under
23	this subsection.

1	CTC/C 044	COLUMN	DACTETO	EVCHANCE.	PROGRAMS.
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- 2 (a) AUTHORIZED PROGRAMS.—The Director of the
- 3 United States Information Agency is authorized to award
- 4 academic scholarships to qualified students from the sov-
- 5 ereign nations of the South Pacific region to pursue un-
- 6 dergraduate and postgraduate study at institutions of
- 7 higher education in the United States; to make grants to
- 8 accomplished United States scholars and experts to pursue
- 9 research, to teach, or to offer training in such nations;
- 10 and to make grants for youth exchanges.
- 11 (b) LIMITATION.—Grants awarded to United States
- 12 scholars and experts may not exceed 10 percent of the
- 13 total funds awarded for any fiscal year for programs under
- 14 this section.
- 15 SEC. 241. COORDINATION OF UNITED STATES EXCHANGE
- 16 **PROGRAMS.**
- 17 Section 112 of the Mutual Educational and Cultural
- 18 Exchange Act of 1961 (22 U.S.C. 2460) is amended by
- 19 adding at the end the following:
- 20 "(f) The President shall ensure that all exchange pro-
- 21 grams conducted by the United States Government, its de-
- 22 partments and agencies, directly or through agreements
- 23 with other parties, are coordinated through the Bureau
- 24 to ensure that such exchanges are consistent with United
- 25 States foreign policy and to avoid duplication of effort.
- 26 The President shall report annually to the Congress on

- 1 such coordination. Such report shall include information
- 2 concerning what exchanges are supported by the United
- 3 States, the number of exchange participants supported,
- 4 the types of exchange activities, and the total amount of
- 5 Federal expenditures for such exchanges.".
- 6 SEC. 242. LIMITATION CONCERNING PARTICIPATION IN
- 7 INTERNATIONAL EXPOSITIONS.
- 8 Notwithstanding any other provision of law, the Unit-
- 9 ed States Information Agency is not authorized to repro-
- 10 gram or to obligate or expend any funds for a United
- 11 States pavilion or other major exhibit at any international
- 12 exposition or world's fair without an express authorization
- 13 of appropriations for such purpose.
- 14 SEC. 243. PRIVATE SECTOR OPPORTUNITES.
- 15 Section 104(e)(4) of the Mutual Educational and
- 16 Cultural Exchange Act of 1961 (22 U.S.C. 2454) is
- 17 amended by inserting before the period ", and of similar
- 18 services and opportunities for interchange not supported
- 19 by the United States Government".
- 20 PART D-MIKE MANSFIELD FELLOWSHIPS
- 21 SEC. 251. SHORT TITLE.
- 22 This part may be cited as the "Mike Mansfield Fel-
- 23 lowship Act".

1	SEC	252	ESTABLISHMENT	OF	FELLOWSHIP	PROGRAM.
	DEC.	wom.	ESTADIMENT	OI.	I ELLO WOLLLE	LINGUIGHME

- 2 (a) ESTABLISHMENT.—(1) There is hereby estab-
- 3 lished the "Mike Mansfield Fellowship Program" pursu-
- 4 ant to which the Director of the United States Informa-
- 5 tion Agency will make grants to the Mansfield Center for
- 6 Pacific Affairs to award fellowships to eligible United
- 7 States citizens for periods of 2 years each (or, pursuant
- 8 to section 253(5)(C), for such shorter period of time as
- 9 the Center may determine based on a Fellow's level of pro-
- 10 ficiency in the Japanese language or knowledge of the po-
- 11 litical economy of Japan) as follows:
- 12 (A) During the first year each fellowship recipi-
- ent will study the Japanese language as well as Ja-
- 14 pan's political economy.
- 15 (B) During the second year each fellowship re-
- 16 cipient will serve as a Fellow in a parliamentary of-
- fice, ministry, or other agency of the Government of
- Japan or, subject to the approval of the Center, a
- 19 nongovernmental Japanese institution associated
- with the interests of the fellowship recipient, consist-
- 21 ent with the purposes of this part.
- 22 (2) Fellowships under this part may be known as
- 23 "Mansfield Fellowships", and individuals awarded such
- 24 fellowships may be known as "Mansfield Fellows".
- 25 (b) ELIGIBILITY OF CENTER FOR GRANTS.—Grants
- 26 may be made to the Center under this section only if the

1	Center agrees to comply with the requirements of section
2	253.
3	(c) International Agreement.—The Director of
4	the United States Information Agency should enter into
5	negotiations for an agreement with the Government of
6	Japan for the purpose of placing Mansfield Fellows in the
7	Government of Japan.
8	(d) PRIVATE SOURCES.—The Center is authorized to
9	accept, use, and dispose of gifts or donations of services
10	or property in carrying out the fellowship program, subject
11	to the review and approval of the Board described in sec-
12	tion 255.
13	SEC. 253. PROGRAM REQUIREMENTS.
14	The program established under this part shall comply
15	with the following requirements:
16	(1) United States citizens who are eligible for
17	fellowships under this part shall be employees of the
18	Federal Government having at least two years expe-
19	rience in any branch of the Government, a strong
20	career interest in United States-Japan relations, and
21	a demonstrated commitment to further service in the
22	Federal Government.
23	(2) Not less than 10 fellowships shall be award-
24	ed each year.
25	(3) Mansfield Fellows shall agree—

1	(A) to maintain satisfactory progress in
2	language training and appropriate behavior in
3	Japan, as determined by the Center, as a condi-
4	tion of continued receipt of Federal funds; and
5	(B) to return to the Federal Government
6	for further employment for a period of at least
7	2 years following the end of their fellowships,
8	unless, in the determination of the Center, the
9	Fellow is unable (for reasons beyond the Fel-
10	low's control and after receiving assistance from
11	the Center as provided in paragraph (8)) to
12	find reemployment for such period.
13	(4) During the period of the fellowship, the
13	(1) During the period of the following, the
14	Center shall provide each Mansfield Fellow—
14	Center shall provide each Mansfield Fellow—
14 15	Center shall provide each Mansfield Fellow—  (A) a stipend at a rate of pay equal to the
14 15 16	Center shall provide each Mansfield Fellow—  (A) a stipend at a rate of pay equal to the rate of pay that individual was receiving when
14 15 16 17	Center shall provide each Mansfield Fellow—  (A) a stipend at a rate of pay equal to the rate of pay that individual was receiving when he or she entered the program, plus a cost-of-
14 15 16 17 18	Center shall provide each Mansfield Fellow—  (A) a stipend at a rate of pay equal to the rate of pay that individual was receiving when he or she entered the program, plus a cost-of-living adjustment calculated at the same rate of
14 15 16 17 18	Center shall provide each Mansfield Fellow—  (A) a stipend at a rate of pay equal to the rate of pay that individual was receiving when he or she entered the program, plus a cost-of-living adjustment calculated at the same rate of pay, and for the same period of time, for which
14 15 16 17 18 19 20	Center shall provide each Mansfield Fellow—  (A) a stipend at a rate of pay equal to the rate of pay that individual was receiving when he or she entered the program, plus a cost-of-living adjustment calculated at the same rate of pay, and for the same period of time, for which such adjustments were made to the salaries of
14 15 16 17 18 19 20 21	Center shall provide each Mansfield Fellow—  (A) a stipend at a rate of pay equal to the rate of pay that individual was receiving when he or she entered the program, plus a cost-of-living adjustment calculated at the same rate of pay, and for the same period of time, for which such adjustments were made to the salaries of individuals occupying competitive positions in
14 15 16 17 18 19 20 21 22	Center shall provide each Mansfield Fellow—  (A) a stipend at a rate of pay equal to the rate of pay that individual was receiving when he or she entered the program, plus a cost-of-living adjustment calculated at the same rate of pay, and for the same period of time, for which such adjustments were made to the salaries of individuals occupying competitive positions in the civil service during the same period as the

his or her separation from Government service. 1 as a United States Government civilian em-2 plovee overseas under the Standardized Regula-3 tions (Government Civilians, Foreign Areas) of 4 the Department of State, as follows: a living 5 quarters allowance to cover the cost of housing 6 in Japan, a post allowance to cover the signifi-7 cantly higher costs of living in Japan, a tem-8 porary quarters subsistence allowance for up to 9 7 days for Fellows unable to find housing im-10 11 mediately upon arrival in Japan, an education allowance to assist parents in providing their 12 children with educational services ordinarily 13 provided without charge by United States pub-14 lic schools, moving expenses of up to \$3,000 for 15 personal belongings of Fellows and their fami-16 lies in their move to Japan and up to \$500 for 17 Fellows residing outside the Washington, D.C. 18 19 area in moving to the Washington, D.C. area, and one-round-trip economy-class airline ticket 20 to Japan for each Fellow and the Fellow's im-21 mediate family. 22 (5)(A) For the first year of each fellowship, the 23

Center shall provide Fellows with intensive Japanese

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1	language training in the Washington, D.C., area, as
2	well as courses in the political economy of Japan.
3	(B) Such training shall be of the same quality
4	as training provided to Foreign Service officers be-
5	fore they are assigned to Japan.
6	(C) The Center may waive any or all of the
7	training required by subparagraph (A) to the extent
8	that a Fellow has Japanese language skills or knowl-
9	edge of Japan's political economy, and the 2 year
0	fellowship period shall be shortened to the extent
1	such training is less than one year.
.2	(6) Any Mansfield Fellow not complying with
.3	the requirements of this section shall reimburse the
4	United States Information Agency for the Federal
5	funds expended for the Fellow's participation in the
16	fellowship, together with interest on such funds (cal-
17	culated at the prevailing rate), as follows:
18	(A) Full reimbursement for noncompliance
19	with paragraph (3)(A) or (9); and
20	(B) pro rata reimbursement for non-
21	compliance with paragraph (3)(B) for any pe-
22	riod the Fellow is reemployed by the Federa
23	Government that is less than the period speci-
24	fied in paragraph (3)(B), at a rate equal to the
25	amount the Fellow received during the fina

	17.0
1	year of the fellowship for the same period of
2	time, including any allowances and benefits pro-
3	vided under paragraph (4).
4	(7) The Center shall select Mansfield Fellows
5	based solely on merit. The Center shall make posi-
6	tive efforts to recruit candidates reflecting the cul-
7	tural, racial, and ethnic diversity of the United
8	States.
9	(8) The Center shall assist any Mansfield Fel-
10	low in finding employment in the Federal Govern-
11	ment if such Fellow was not able, at the end of the
12	fellowship, to be reemployed in the agency from
13	which he or she separated to become a Fellow.
14	(9) No Mansfield Fellow may engage in any in-
15	telligence or intelligence-related activity on behalf of
16	the United States Government.
17	(10) The accounts of the Center shall be au-
18	dited annually in accordance with generally accepted
19	auditing standards by independent certified public

accountants or independent licensed public account-

ants, certified or licensed by a regulatory authority

of a State or other political subdivision of the United

States. The audit shall be conducted at the place or

places where the accounts of the Center are normally

kept. All books, accounts, financial records, files,

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and other papers, things, and property belonging to or in use by the Center and necessary to facilitate the audit shall be made available to the person or persons conducting the audit, and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(11) The Center shall provide a report of the audit to the Board no later than six months following the close of the fiscal year for which the audit is made. The report shall set forth the scope of the audit and include such statements, together with the independent auditor's opinion of those statements, as are necessary to present fairly the Center's assets and liabilities, surplus or deficit, with reasonable detail, including a statement of the Center's income and expenses during the year, including a schedule of all contracts and grants requiring payments in excess of \$5,000 and any payments of compensation, salaries, or fees at a rate in excess of \$5,000 per year. The report shall be produced in sufficient copies for the public.

## 112 1 SEC. 254. SEPARATION OF GOVERNMENT PERSONNEL DUR-

2	ING THE FELLOWSHIPS.
3	(a) SEPARATION.—Under such terms and conditions
4	as the agency head may direct, any agency of the United
5	States Government may separate from Government serv-
6	ice for a specified period any officer or employee of that
7	agency who accepts a fellowship under the program estab-
8	lished by this part.
9	(b) REEMPLOYMENT.—Any Mansfield Fellow, at the
10	end of the fellowship, is entitled to be reemployed in the
11	same manner as if covered by section 3582 of title 5, Unit-
12	ed States Code.
13	(c) RIGHTS AND BENEFITS.—Notwithstanding sec-
14	tion 8347(o), 8713, or 8914 of title 5, United States Code,
15	and in accordance with regulations of the Office of Person-
16	nel Management, an employee, while serving as a Mans-
17	field Fellow, is entitled to the same rights and benefits

18 as if covered by section 3582 of title 5, United States
19 Code. The Center shall reimburse the employing agency

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ed States Code.

for any costs incurred under section 3582 of title 5, Unit-

available under this section to the extent and in the

24 amounts provided in appropriation Acts.

(d) COMPLIANCE WITH BUDGET ACT.—Funds are

1	SEC. 255. MANSFIELD FELLOWSHIP REVIEW BOARD.
2	(a) ESTABLISHMENT.—There is hereby established
3	the Mansfield Fellowship Review Board.
4	(b) COMPOSITION.—The Board shall be composed of
5	11 individuals, as follows:
6	(1) The Secretary of State, or the Secretary's
7	designee.
8	(2) The Secretary of Defense, or the Sec-
9	retary's designee.
0	(3) The Secretary of the Treasury, or the Sec-
1	retary's designee.
2	(4) The Secretary of Commerce, or the Sec-
3	retary's designee.
4	(5) The United States Trade Representative, or
5	the Trade Representative's designee.
6	(6) The Chief Justice of the United States, or
7	the Chief Justice's designee.
8	(7) The Majority Leader of the Senate, or the
9	Majority Leader's designee.
0.0	(8) The Minority Leader of the Senate, or the
21	Minority Leader's designee.
22	(9) The Speaker of the House of Rep-
2.3	resentatives, or the Speaker's designee.
4	(10) The Minority Leader of the House of Rep-
25	resentatives, or the Minority Leader's designee.

1	(11) The Director of the United States Infor-
2	mation Agency, who shall serve as the chairperson of
3	the Board, or the Director's designee.
4	(c) FUNCTIONS.—(1) The Board shall review the ad-
5	ministration of the program assisted under this part.
6	(2)(A) Each year at the time of the submission of
7	the President's budget request to the Congress, the Board
8	shall submit to the President and the Congress a report
9	completed by the Center with the approval of the Board
0	on the conduct of the program during the preceding year.
1	(B) Each such report shall contain—
2	(i) an analysis of the assistance provided under
3	the program for the previous fiscal year and the na-
4	ture of the assistance provided;
5	(ii) an analysis of the performance of the indi-
6	viduals who received assistance under the program
7	during the previous fiscal year, including the degree
8	to which assistance was terminated under the pro-
9	gram and the extent to which individual recipients
20	failed to meet their obligations under the program;
21	and
22	(iii) an analysis of the results of the program
23	for the previous fiscal year, including, at a mini-
24	mum, the cumulative percentage of individuals who
25	received assistance under the program who sub-

1	sequently became employees of the United States
2	Government and, in the case of individuals who did
3	not subsequently become employees of the United
4	States Government, an analysis of the reasons why
5	they did not become employees and an explanation
6	as to what use, if any, was made of the assistance
7	given to those recipients.
8	(d) COMPENSATION.—Members of the Board shall
9	not be paid compensation for services performed on the
0	Board.
1	(e) AVAILABILITY OF SUPPORT STAFF.—The Direc-
12	tor of the United States Information Agency is authorized
13	to provide for necessary secretarial and staff assistance
14	for the Board.
15	(f) RELATIONSHIP TO FEDERAL ADVISORY COMMIT-
16	TEE ACT.—The Federal Advisory Committee Act shall not
17	apply to the Board to the extent that the provisions of
18	this section are inconsistent with such Act.
19	SEC. 256. DEFINITIONS.
20	For purposes of this part—
21	(1) the term "agency of the United States Gov-
22	ernment" includes any agency of the legislative
23	branch and any court of the judicial branch as well
24	as any agency of the executive branch;
25	(2) the term "agency head" means—

-	(11) In the case of the executive pranch of
2	Government or an agency of the legislative
3	branch other than the House of Representatives
4	or the Senate, the head of the respective agen-
5	cy;
6	(B) in the case of the judicial branch of
7	Government, the chief judge of the respective
8	court;
9	(C) in the case of the Senate, the Presi-
10	dent pro tempore, in consultation with the Ma-
11	jority Leader and Minority Leader of the Sen-
12	ate; and
13	(D) in the case of the House of Rep-
14	resentatives, the Speaker of the House, in con-
15	sultation with the Majority Leader and Minor-
16	ity Leader of the House;
17	(3) the term "Board" means the Mike Mans-
18	field Fellowship Review Board; and
19	(4) the term "Center" means the Mansfield
20	Center for Pacific Affairs.
21	PART E—FACILITATION OF PRIVATE SECTOR
22	INITIATIVES
23	SEC. 261. SHORT TITLE.
24	This part may be cited as the "Free Trade in Ideas
25	Act of 1993"

1	SEC. 262. EXCHANGE OF INFORMATION AND RELATED
2	TRANSACTIONS.
3	(a) International Emergency Economic Pow-
4	ERS ACT.—Section 203(b)(3) of the International Emer-
5	gency Economic Powers Act (50 U.S.C. 1702(b)) is
6	amended to read as follows:
7	"(3)(A) the importation from or exportation to
8	any country, or the communication or telecommuni-
9	cation or other form of transmission to any country,
10	of information or informational materials which-
11	"(i) include, but are not limited to—
12	"(I) publications, films, posters, pho-
13	nograph records, photographs, microfilms,
14	microfiche, audiotapes and videotapes,
15	artworks, telephone conversations, other
16	voice or data communications or tele-
17	communications, telecasts, and news wire
18	feeds,
19	"(II) other forms of telecommuni-
20	cations, and
21	"(III) other materials the creation
22	and circulation of which in the United
23	States would be protected by the First
24	Amendment to the United States Con-
25	stitution,

1	whether those materials are in existence at the
2	time of or are to be created subsequent to or
3	pursuant to a transaction or activity described
4	in this paragraph; and
5	"(ii) are information and informational
6	materials that are not otherwise controlled for
7	export under section 5 of the Export Adminis-
8	tration Act of 1979 and with respect to which
9	no acts are prohibited by chapter 37 of title 18,
10	United States Code;
11	"(B) travel related to any such importation, ex-
12	portation, communication, telecommunication, or
13	transmission;
14	"(C) transactions for the creation or circulation
15	of or otherwise concerning such information or infor-
16	mational materials, or any rights in such informa-
17	tion or informational materials, whether commercial
18	or otherwise; or
19	"(D) other transactions incidental to any activ-
20	ity or transaction described in subparagraph (A),
21	(B), or (C);".
22	(b) EXPORT ADMINISTRATION ACT OF 1979.—Sec-
23	tion 6 of the Export Administration Act of 1979 (22
24	U.S.C. 2405) is amended by adding at the end the fol-
25	lowing new subsection:

1	"(t) Information and Informational Mate-
2	RIALS.—(1) This section does not authorize export con-
3	trols on—
4	"(A) information or informational materials;
5	"(B) transactions for the creation or circulation
6	of or otherwise concerning such information or infor-
7	mational materials, or any rights in such informa-
8	tion or informational materials, whether commercial
9	or otherwise; or
0	"(C) other transactions incidental to the export
1	of any information or informational materials or to
2	any transaction described in subparagraph (B).
3	"(2) The information and informational materials re-
4	ferred to in paragraph (1) include, but are not limited
5	to—
6	"(A) publications, films, posters, phonograph
7	records, photographs, microfilms, microfiche, audio-
8	tapes and videotapes, artworks, telephone con-
9	versations, other voice or data communications or
0	telecommunications, telecasts, and news wire feeds;
1	"(B) other forms of telecommunications; and
2	"(C) other materials the creation and cir-
.3	culation of which in the United States are protected
4	by the First Amendment to the United States Con-
25	stitution.".

1	(c) TRADING WITH THE ENEMY ACT.—
2	(1) EXCHANGE OF INFORMATION AND RELATED
3	TRANSACTIONS.—Section 5(b)(4) of the Trading
4	with the Enemy Act (50 U.S.C. App. section 5(b))
5	is amended to read as follows:
6	"(4)(A) The authority granted to the President in
7	this subsection does not include the authority to regulate
8	or prohibit, directly or indirectly—
9	"(i) the importation from or exportation to any
0	country, or the communication or telecommunication
1	or other form of transmission to any country, of in-
2	formation or informational materials;
3	"(ii) travel related to any such importation, ex-
4	portation, communication, telecommunication, or
5	transmission;
6	"(iii) transactions for the creation or circulation
7	of or otherwise concerning such information or infor-
8	mational materials, or any rights in such informa-
9	tion or informational materials, whether commercial
0.0	or otherwise, or
21	"(iv) other transactions incidental to any activ-
22	ity or transaction described in clause (i), (ii), or (iii).
23	"(B) The information and informational materials re-
24	ferred to in subparagraph (A)—
25	"(i) include, but are not limited to—

1	"(I) publications, films, posters, phono-
2	graph records, photographs, microfilms, micro-
3	fiche, audiotapes and videotapes, artworks, tele-
4	phone conversations, other voice or data com-
5	munications or telecommunications, telecasts,
6	and news wire feeds,
7	"(II) other forms of telecommunications,
8	and
9	"(III) other materials the creation and cir-
.0	culation of which in the United States would be
1	protected by the First Amendment to the Unit-
2	ed States Constitution,
3	whether those materials are in existence at the time
4	of or are to be created subsequent to or pursuant to
5	a transaction or activity described in subparagraph
16	(A); and
17	"(ii) are information and informational mate-
18	rials that are not otherwise controlled for export
19	under section 5 of the Export Administration Act of
20	1979 and with respect to which no acts are prohib-
21	ited by chapter 37 of title 18, United States Code.".

1	SEC. 263. FREEDOM OF TRAVEL FOR UNITED STATES CITI-
2	ZENS.
3	(a) International Emergency Economic Pow-
4	ERS ACT.—Section 203(b) of the International Emergency
5	Economic Powers Act (50 U.S.C. 1702(b)) is amended—
6	(1) in paragraph (2) by striking "or" after the
7	semicolon; and
8	(2) by adding at the end the following:
9	"(4) any of the following transactions incident
0	to travel by individuals who are citizens or residents
1	of the United States:
2	"(A) any transactions ordinarily incident
3	to travel to or from any country, including im-
4	portation into a country or the United States of
5	accompanied baggage for personal use only;
6	"(B) any transactions ordinarily incident
7	to travel or maintenance within any country, in-
8	cluding the payment of living expenses and the
9	acquisition of goods for personal consumption;
20	"(C) any transactions ordinarily incident
21	to the arrangement, promotion, or facilitation
22	of travel to, from, or within a country;
23	"(D) any transactions incident to non-
24	scheduled flights of aircraft, or nonscheduled
25	voyages of vessels to or from any country, ex-
26	cept that this subparagraph does not authorize

1	the carriage of articles into a country except ac-
2	companied baggage; or
3	"(E) normal banking transactions involv-
4	ing foreign currency drafts, traveler's checks, or
5	other negotiable instruments incident to travel
6	to or from any country;
7	except that this paragraph does not authorize the
8	importation into the United States of any goods for
9	personal consumption acquired in another country,
10	other than those items described in paragraphs (1)
11	and (3);".
12	(b) TRADING WITH THE ENEMY ACT.—Section 5(b)
13	of the Trading with the Enemy Act (50 U.S.C. App. 5(b))
14	is amended by adding at the end the following new para-
15	graph:
16	"(5) The authority granted to the President in this
17	subsection does not include the authority to regulate or
18	prohibit, directly or indirectly, any of the following trans-
19	actions incident to travel by individuals who are citizens
20	or residents of the United States:
21	"(A) Any transactions ordinarily incident to
22	travel to or from any country, including importation
23	into a country or the United States of accompanied
24	haggage for personal use only.

1	"(B) Any transactions ordinarily incident to
2	travel or maintenance within any country, including
3	the payment of living expenses and the acquisition of
4	goods for personal consumption.
5	"(C) Any transactions ordinarily incident to the
6	arrangement, promotion, or facilitation of travel to,
7	from, or within a country.
8	"(D) Any transactions incident to nonscheduled
9	flights of aircraft, or nonscheduled voyages of vessels
10	to or from any country, except that this subpara-
11	graph does not authorize the carriage of articles into
12	a country except accompanied baggage.
13	"(E) Normal banking transactions involving
14	foreign currency drafts, traveler's checks, or other
15	negotiable instruments incident to travel to or from
16	any country.
17	This paragraph does not authorize the importation into
18	the United States of any goods for personal consumption
19	acquired in another country, other than those items de-
20	scribed in paragraph (4).".
21	(e) Continued Authority for Restrictions on
22	$Tourism\ \ to\ \ Cuba.{\longrightarrow} Notwith standing\ \ the\ \ amendments$
23	made by this section, the President shall continue to have
24	authority to regulate or prohibit—

1	(1) commercial operations for the sale and
2	package of land tours or marine cruises to Cuba
3	which do not include substantial opportunities for
4	contact with the people of Cuba;
5	(2) the purchase by individuals subject to the
6	jurisdiction of the United States of land tours or
7	marine cruises to Cuba which do not include sub-
8	stantial opportunities for contact with the people of
9	Cuba; and
0	(3) financial transactions associated with activi-
1	ties under paragraphs (1) or (2).
2	SEC. 264. EDUCATIONAL, CULTURAL, RELIGIOUS, AND SCI-
3	ENTIFIC ACTIVITIES AND EXCHANGES.
4	(a) International Emergency Economic Pow-
5	ERS ACT.—Section 203(b) of the International Emergency
6	Economic Powers Act (50 U.S.C. 1702(b)) is amended by
7	adding at the end thereof the following:
8	"(5) financial or other transactions, or travel,
9	incident to—
20	"(A) activities of scholars,
21	"(B) other educational or academic activi-
22	ties.
23	"(C) exchanges in furtherance of any such
24	activities,
25	"(D) cultural activities and exchanges,

1	(E) public exhibitions or performances by
2	the nationals of one country in another country,
3	or
4	"(F) activities of religious organizations,
5	to the extent that any such activities, exchanges, ex-
6	hibitions, or performances are not otherwise con-
7	trolled for export under section 5 of the Export Ad-
8	ministration Act of 1979 and to the extent that,
9	with respect to such activities, exchanges, exhibi-
10	tions, or performances, no acts are prohibited by
11	chapter 37 of title 18, United States Code; or".
12	(b) TRADING WITH THE ENEMY ACT.—Section 5(b)
13	of the Trading with the Enemy Act is amended by adding
14	at the end thereof the following:
15	"(6) The authority granted to the President in this
16	subsection does not include the authority to regulate or
17	prohibit, directly or indirectly, financial or other trans-
18	actions, or travel, incident to-
19	"(A) activities of scholars,
20	"(B) other educational or academic activities,
21	"(C) exchanges in furtherance of any such ac-
22	tivities,
23	"(D) cultural activities and exchanges,
24	"(E) public exhibitions or performances by the
25	nationals of one country in another country, or

"(F) activities of religious organizations,

2	to the extent that any such activities, exchanges, exhibi-
3	tions, or performances are not otherwise controlled for ex-
4	port under section 5 of the Export Administration Act of
5	1979 and to the extent that, with respect to such activi-
6	ties, exchanges, exhibitions, or performances, no acts are
7	prohibited by chapter 37 of title 18, United States Code.".
8	SEC. 265. ESTABLISHMENT OF NEWS BUREAUS.
9	(a) International Emergency Economic Pow-
10	ERS ACT.—Section 203(b) of the International Emergency
11	Economic Powers Act (50 U.S.C. 1702(b)) is amended by
12	adding at the end thereof the following:
13	"(6) financial or other transactions related to
14	the establishment of bureaus by United States news
15	organizations in foreign countries, or the establish-
16	ment of news bureaus in the United States by for-
17	eign news organizations.".
18	(b) TRADING WITH THE ENEMY ACT.—Section 5(b)
19	of the Trading with the Enemy Act (50 U.S.C. App. 5(b))
20	is amended by adding at the end the following:
21	"(7) The authority granted to the President in this
22	subsection does not include the authority to regulate or
23	prohibit, directly or indirectly, financial or other trans-
24	actions related to the establishment of bureaus by United
25	States news organizations in foreign countries, or the es-

- 1 tablishment of news bureaus in the United States by for-
- 2 eign news organizations.".
- 3 SEC. 266. FOREIGN ASSISTANCE ACT OF 1961.
- 4 Section 620(a) of the Foreign Assistance Act of 1961
- 5 (22 U.S.C. 2370(a)) is amended by adding at the end
- 6 thereof the following:
- 7 "(3) Notwithstanding paragraph (1), the authority
- 8 granted to the President in such paragraph does not in-
- 9 clude the authority to regulate or prohibit, directly or indi-
- 10 rectly, any activities or transactions which may not be reg-
- 11 ulated or prohibited under paragraphs (4), (5), (6), or (7)
- 12 of section 5(b) of the Trading With the Enemy Act.".
- 13 SEC. 267. UNITED NATIONS PARTICIPATION ACT OF 1945.
- 14 Section 5(a) of the United Nations Participation Act
- 15 of 1945 (22 U.S.C. 287c) is amended by adding after the
- 16 first sentence the following: "The authority granted under
- 17 this section does not include the authority to regulate or
- 18 prohibit any of the activities which may not be regulated
- 19 or prohibited under paragraphs (3), (4), (5), and (6) of
- 20 section 203(b) of the International Emergency Economic
- 21 Powers Act.".
- 22 SEC. 268. APPLICABILITY.
- 23 (a) International Emergency Economic Pow-
- 24 ERS ACT.—The amendments made by sections 262(a),
- 25 263(a), 264(a), and 265(a) apply to actions taken by the

- 1 President under the International Emergency Economic
- 2 Powers Act before the date of the enactment of this Act
- 3 which are in effect on such date of enactment, and to ac-
- 4 tions taken under such section on or after such date of
- 5 enactment.

#### 6 (b) TRADING WITH THE ENEMY ACT.

- (1) The authorities conferred upon the President by section 5(b) of the Trading with the Enemy Act, which were being exercised with respect to a country on July 1, 1977, as a result of a national emergency declared by the President before the date, and are being exercised on the date of the enactment of this Act, do not include the authority to regulate or prohibit, directly or indirectly, any activity which, under paragraph (4), (5), (6), or (7) of section 5(b) of the Trading With the Enemy Act, as amended and added by this Act, may not be regulated or prohibited.
  - (2) The amendments made by sections 262(c), 263(b), 264(b), and 265(b) apply to actions taken by the President under section 5(b) of the Trading With the Enemy Act before the date of the enactment of this Act which are in effect on such date of enactment, and to actions taken under such section on or after such date of enactment.

1	(3) This subsection does not alter the status of
2	assets blocked pursuant to the Trading With the
3	Enemy Act before the date of the enactment of this
4	Act.
5	(c) Export Administration Act of 1979.—The
6	amendment made by section 262(b) shall apply to actions
7	taken by the President under section 6 of the Export Ad-
8	ministration Act of 1979 before the date of the enactment
9	of this Act which are in effect on such date of enactment,
0	and to actions taken under such section on or after such
1	date of enactment.
2	(d) Foreign Assistance Act.—
3	(1) The amendment made by section 266 ap-
4	plies to actions taken by the President under section
15	620(a)(1) of the Foreign Assistance Act of 1961 be-
16	fore the date of the enactment of this Act which are
17	in effect on such date of enactment, and to actions
8	taken under such section on or after such date of
19	enactment.
20	(2) Paragraph (1) does not alter the status of
21	assets blocked pursuant to section 620(a)(1) of the
22	Foreign Assistance Act of 1961 before the date of
23	the enactment of this Act.

# 1 TITLE III—ARMS CONTROL AND 2 DISARMAMENT AGENCY

3	SEC. 301. PURPOSES.
4	The purposes of this title are—
5	(1) to provide renewed impetus in improving
6	the United States Government's ability to manage
7	the complex process of negotiating and implementing
8	arms control treaties;
9	(2) to provide central leadership and coordina-
10	tion to United States nonproliferation policy; and
11	(3) to improve congressional oversight of the
12	operating budget of the United States Arms Control
13	and Disarmament Agency.
14	SEC. 302. ACDA DIRECTOR.
15	(a) DIRECTOR.—Section 22 of the Arms Control and
16	Disarmament Act (22 U.S.C. 2562) is amended to read
17	as follows:
18	"SEC. 22. DIRECTOR.
19	"(a) APPOINTMENT.—The Agency shall be headed by
20	a Director, who shall be appointed by the President, by
21	and with the advice and consent of the Senate. No person
22	serving on active duty as a commissioned officer of the
23	Armed Forces of the United States may be appointed Di-
24	rector.

1	"(b) DUTIES.—The Director shall serve as the prin-
2	cipal adviser to the President and other executive branch
3	officials on matters relating to arms control, disarmament,
4	and nonproliferation. In carrying out his or her duties
5	under this Act, the Director, under the guidance of the
6	Secretary of State, shall have primary responsibility for
7	matters relating to arms control, disarmament, and non-
8	proliferation, as defined by this Act.".
9	(b) PERMANENT MEMBERSHIP ON NATIONAL SECU-
10	RITY COUNCIL.—Section 101(a) of the National Security
11	Act of 1947 (50 U.S.C. 402(a)) is amended—
12	(1) by redesignating paragraphs (5) through
13	(7) as paragraphs (6) through (8), respectively; and
14	(2) by inserting after paragraph (4) the fol-
15	lowing new paragraph (5):
10	(1/5) () D' (1) Call TI-it I Chate A-

- 16 "(5) the Director of the United States Arms
- 17 Control and Disarmament Agency;".
- 18 SEC. 303. SPECIAL REPRESENTATIVES.
- 19 (a) IN GENERAL.—Section 27 of the Arms Control
- 20 and Disarmament Act (22 U.S.C. 2567) is amended to
- 21 read as follows:
- 22 "SEC. 27. SPECIAL REPRESENTATIVES.
- 23 "(a) APPOINTMENT.—The President may appoint, by
- 24 and with the advice and consent of the Senate, Special
- 25 Representatives of the President for Arms Control, Disar-

- 1 mament, and Nonproliferation. Each Presidential Special
- 2 Representative shall hold the personal rank of ambas-
- 3 sador.
- 4 "(b) DUTIES.—Presidential Special Representatives
- 5 shall perform their duties and exercise their powers under
- 6 direction of the President, acting through the Director.
- 7 One such Special Representative shall serve as the United
- 8 States Governor to the Board of Governors of the Inter-
- 9 national Atomic Energy Agency.
- 10 "(c) ADMINISTRATIVE SUPPORT.—The Agency shall
- 11 be the Government agency responsible for providing ad-
- 12 ministrative support, including funding, staff, and office
- 13 space, to all Presidential Special Representatives ap-
- 14 pointed under this section.".
- 15 (b) CONFORMING AMENDMENT.—Section 5315 of
- 16 title 5, United States Code, is amended by striking "Spe-
- 17 cial Representatives for Arms Control and Disarmament
- 18 Negotiations, United States Arms Control and Disar-
- 19 mament Agency (2)." and inserting "Special Rep-
- 20 resentatives of the President for Arms Control and Non-
- 21 proliferation.".
- 22 SEC. 304. NEGOTIATION MANAGEMENT.
- 23 Section 34 of the Arms Control and Disarmament
- 24 Act (22 U.S.C. 2574) is amended to read as follows:

1	"SEC, 34. NEGOTIATIONS AND RELATED FUNCTIONS
2	"The Director shall have primary responsibility for
3	the preparation and management of United States partici-
4	pation in all international negotiations and implementa-
5	tion forums in the fields of arms control, disarmament,
6	and nonproliferation. To this end—
7	"(1) the Director shall have primary respon-
8	sibility for the preparation, formulation, support
9	and transmission of instructions and guidance for all
0	such negotiations and forums, and shall manage
1	interagency groups established within the executive
2	branch to support such negotiations and forums; and
13	"(2) all United States Government rep-
14	resentatives conducting negotiations or acting pursu-
15	ant to agreements in the fields of arms control, dis
16	armament, or nonproliferation shall perform their
17	duties and exercise their powers, under the direction
18	of the President, acting through the Director.".
19	SEC. 305. PARTICIPATION OF ACDA DIRECTOR IN CERTAIN
20	DELIBERATIONS.
21	(a) ARMS EXPORT CONTROL ACT.—
22	(1) Section 38(a)(2) of the Arms Export Con
23	trol Act (22 U.S.C. 2778(a)(2)) is amended to read
24	as follows:
25	"(2) Decisions on issuing export licenses under thi
26	section shall be made in coordination with the Directo

- 1 of the United States Arms Control and Disarmament
- 2 Agency, taking into account the Director's assessment as
- 3 to whether the export of an article will contribute to an
- 4 arms race, aid in the development of weapons of mass de-
- 5 struction, support international terrorism, increase the
- 6 possibility of outbreak or escalation of conflict, or preju-
- 7 dice the development of bilateral or multilateral arms con-
- 8 trol or nonproliferation agreements or other bilateral ar-
- 9 rangements.".
- (2) Section 42(a) of such Act (22 U.S.C. 10 2791(a)) is amended by striking out all that follows 11 12 "(3)" in the last sentence and inserting the fol-13 lowing: "the assessment of the Director of the United States Arms Control and Disarmament Agency 14 as to the extent to which such sale might contribute 15 16 to an arms race, aid in the development of weapons of mass destruction, support international terrorism, 17 increase the possibility of outbreak or escalation of 18 conflict, or prejudice the development of bilateral or 19 20 multilateral arms control or nonproliferation agreements or other arrangements. No decision shall be 21 22 made over the objection of the Director unless the Director has been informed in writing of the reasons 23 24 why the Director's opinion was not deemed sufficient

1	to deny the proposed sale, and afforded a reasonable
2	opportunity to appeal the proposed decision.".
3	(3) Section 71 of such Act (22 U.S.C. 2797) is
4	amended—
5	(A) in subsection (a) by inserting ", the
6	Director of the United States Arms Control and
7	Disarmament Agency," after "Secretary of De-
8	fense";
9	(B) in subsection 7(b)(1) inserting "and
10	the Director of the United States Arms Control
11	and Disarmament Agency" after "Secretary of
12	Defense"; and
13	(C) in subsection (b)(2)—
14	(i) by striking out "and the Secretary
15	of Commerce" and inserting in lieu thereof
16	", the Secretary of Commerce, and the Di-
17	rector of the United States Arms Control
18	and Disarmament Agency"; and
19	(ii) by striking the comma after "ap-
20	plicant" and all that follows through "doc-
21	uments".
22	(b) ATOMIC ENERGY ACT.—
23	(1) Section 131 b. of the Atomic Energy Act of
24	1954 (42 U.S.C. 2160(b)) is amended—

1	(A) in paragraph (2) by inserting "and the
2	Director of the United States Arms Control and
3	Disarmament Agency' after "Secretary of
4	State"; and
5	(B) in paragraph (3) by inserting "and the
6	Director of the United States Arms Control and
7	Disarmament Agency" after "Secretary of
8	State".
9	(2) Section 142 of such Act (42 U.S.C. 2162)
0	is amended by adding at the end thereof the fol-
1	lowing new subsection:
2	"f. All determinations under this section to remove
3	data from the Restricted Data category shall be made only
.4	after consultation with the Director of the United States
5	Arms Control and Disarmament Agency. If the Commis-
6	sion, the Department of Defense, and the Director do not
7	agree, the determination shall be made by the President.".
8	(c) NUCLEAR NON-PROLIFERATION ACT.—Section
9	309(c) of the Nuclear Non-Proliferation Act of 1978 (42
20	U.S.C. 2139a) is amended to read as follows:
21	"(c)(1) The Department of Commerce shall maintain
22	controls over all export items, other than those licensed
23	by the Commission, which could be, if used for purposes
24	other than those for which the export is intended, of sig-
25	nificance for nuclear explosive purposes.

"(2) The Commission shall not grant any individual, 2 distribution, or project license for the export of items con-3 trolled pursuant to paragraph (1) without prior consultation with the Department of State, the United States Arms Control and Disarmament Agency, the Commission, the Department of Energy, and the Department of De-7 fense. 8 "(3)(A) The Secretary of Commerce shall, within 90 days after the date of enactment of this paragraph, establish orderly and expeditious procedures which are mutually agreeable to the Secretary of State, the Secretary of De-12 fense, the Secretary of Energy, the Director of the United 13 States Arms Control and Disarmament Agency, and the 14 Nuclear Regulatory Commission. These procedures shall 15 include provision for establishing the list of export items 16 required by paragraph (1), for permitting automated ac-17 cess to all license applications for such items to all agencies listed in paragraph (2), and for formal interagency referral of license applications for the export of items on the list. 20 "(B) The procedures in effect under this subsection 22 on the date of enactment of this paragraph shall cease 23 to apply 90 days after the date of enactment of this para-24 graph or upon the effective date of the new procedures 25 required by this paragraph, whichever occurs first.".

1	SEC. 306. NOTIFICATION TO CONGRESS OF PROPOSED
2	REPROGRAMMINGS BY ACDA.
3	Title IV of the Arms Control and Disarmament Act
4	is amended by adding at the end the following:
5	"SEC. 54. REPROGRAMMING OF FUNDS.
6	"(2) Congressional Notification of Certain
7	REPROGRAMMINGS.—Unless the Committee on Foreign
8	Affairs of the House of Representatives and the Commit-
9	tee on Foreign Relations of the Senate are notified at least
0	15 days in advance of the proposed reprogramming, funds
1	appropriated to carry out this Act (other than funds to
2	carry out title V) shall not be available for obligation or
3	expenditure through any reprogramming of funds that—
4	"(1) would create or eliminate a program,
5	project, or activity;
6	"(2) would increase funds or personnel by any
17	means for any program, project, or activity for
8	which funds have been denied or restricted by the
19	Congress;
20	"(3) would relocate an office or employees;
21	"(4) would reorganize offices, programs,
22	projects, or activities;
23	"(5) would involve contracting out functions
24	which had been performed by Federal employees; or

1	"(6) would involve a reprogramming in excess
2	of \$500,000 or 10 percent (whichever is less) and
3	would—
4	"(A) augment existing programs, projects,
5	or activities,
6	"(B) reduce by 10 percent or more the
7	funding for any existing program, project, activ-
8	ity, or personnel approved by the Congress, or
9	"(C) result from any general savings from
10	a reduction in personnel that would result in a
11	change in existing programs, activities, or
12	projects approved by the Congress.
13	"(b) Limitation on End-of-year
14	Reprogrammings.—Funds appropriated to carry out
15	this Act (other than funds to carry out title $\nabla$ ) shall not
16	be available for obligation or expenditure through any
17	reprogramming described in paragraph (1) during the last
18	15 days in which such funds are available for obligation
19	or expenditure (as the case may be) unless the notification $\[$
20	required by that paragraph was submitted before that 15-
21	day period.".

	2.4
1	SEC. 307. REQUIREMENT OF AUTHORIZATION OF APPRO-
2	PRIATIONS.
3	(b) ARMS CONTROL AND DISARMAMENT AGENCY.—
4	Title IV of the Arms Control and Disarmament Act is
5	amended by adding at the end the following:
6	"SEC. 55. REQUIREMENT FOR AUTHORIZATION OF APPRO-
7	PRIATIONS.
8	"(a) Limitation on Obligation and Expendi-
9	TURE OF FUNDS Notwithstanding any other provision
10	of law, for the fiscal year 1994 and for each subsequent
11	fiscal year, any funds appropriated for the Arms Control
12	and Disarmament Agency shall not be available for obliga-
13	tion or expenditure—
14	"(1) unless such funds are appropriated pursu-
15	ant to an authorization of appropriations; or
16	"(2) in excess of the authorized level of appro-
17	priations.
18	"(b) Subsequent Authorization.—The limitation
19	under subsection (a) shall not apply to the extent that an
20	authorization of appropriations is enacted after such funds
21	are appropriated.
22	"(c) APPLICATION.—The provisions of this section—
23	"(1) may not be superseded, except by a provi-
24	sion of law which specifically repeals, modifies, or
25	supersedes the provisions of this section; and

1	"(2) shall not apply to, or affect in any manner,
2	permanent appropriations, trust funds, and other
3	similar accounts which are authorized by law and
4	administered by the Arms Control and Disarmament
5	Agency.".

#### MARKUP OF STATE DEPARTMENT, USIA, RELATED AGENCIES AUTHORIZATION

#### TUESDAY, JUNE 8, 1993

House of Representatives, Committee on Foreign Affairs, Washington, DC.

The committee met, pursuant to call, at 10:40 a.m. in room 2172, Rayburn House Office Building, Hon. Lee H. Hamilton (chairman) presiding.

Chairman HAMILTON. The committee will come to order.

We meet today to consider the authorizations for the Department of State and related agencies for fiscal years 1994 and 1995 and

for foreign assistance programs for fiscal year 1994.

The authorizations we will be considering today are currently two parts of a single omnibus draft foreign affairs authorization. Part one encompasses State Department, USIA and BIB operations and programs, as well as AID operating expenses and related provisions. This legislation was approved by the Subcommittee on International Operations on May 26 of this year.

Part two of the legislation is composed of foreign assistance authorizations and legislative provisions. The draft encompasses some legislative recommendations which were made by various subcommittees, some executive branch requests, and the authorizations and appropriations for the various categories of foreign assist-

ance.

The draft was developed by the staff in a bipartisan manner under the direction of a task force composed of the chairmen and ranking Members of the seven subcommittees.

Part one, after consideration of en bloc amendment offered by Mr. Berman, and part two, will be introduced as one bill as soon

as the House convenes today at noon.

The Chair would like to take this opportunity to apologize to Members and to explain to Members why we are proceeding in such an expedited fashion on this legislation.

First, the transition to the new administration caused some delays in the submission of the budget for fiscal year 1994 and re-

vised legislative requests.

Second, it appears now that in order to pass authorizing legislation for this fiscal year, we will have to take one bill which combines foreign aid and State operations to the floor together next week, prior to the consideration of the relevant appropriations bills.

This is necessitated by the leadership's desire to have all foreign assistance bills scheduled for floor action in proximity to each other. The Chair wishes to reiterate that the legislation before us

today is step one in consideration of revised foreign assistance legislation. It is my intention to pursue the issue of foreign aid reform

as soon as a draft bill is submitted by the executive branch.

I want to assure Members that they will have ample opportunity down the line to play a role in shaping foreign assistance reform. As a result of our expedited timetable, it was not possible to follow the committee's customary procedure of holding several weeks of hearings on and markup of the administration's legislative and budgetary requests at both the full committee and subcommittee levels; nor was it possible to produce the markup documents before the end of last week.

We have made every effort on both parts of this bill to keep Members and their staffs, as well as the administration, fully informed throughout this compressed process. Although we have tried to consult with all Members on the draft legislation, copies of

the draft bill were not available until late yesterday.

I realize this is the first committee markup for several new Members, and I want Members to feel free at any time to ask questions of the Chair or the staff. The Chair wishes to express his appreciation to all Members for their understanding and to their staffs for their cooperation in this process.

The Chair also wants to express appreciation to the majority and minority staff of the full committee. Both the staffs have worked very diligently and cooperatively to narrow the issues that are before us today. Because of their work the number of issues that we consider will be sharply reduced. I am most grateful for their work.

It would be the Chair's intention to proceed with this markup in the following manner. The committee will begin with consideration of part one of the draft legislation which authorizes appropriations for the Department of State and related agencies. Members have before them copies of part one, as well as tables of the authorizations being considered.

The legislation will be open for amendment by title. Once a title has been completed, Members may no longer offer amendments to that title except by unanimous consent. The only exception would be if a Member has made a reservation while the title is open for

consideration.

After the completion of consideration of amendments to part one, the committee will move to consideration of part two which authorizes the foreign assistant programs. That part also will be open for amendment by title under the same procedures as part one.

The Chair observes that there are three titles in part one relating to the State Department authorization; five titles in the foreign

assistance bill, part two.

At the conclusion of consideration of both parts, the committee will act on the bill which will be introduced at noon. The amended draft legislation will, without objection, be considered as an amendment in the nature of a substitute to the introduced bill.

Because of the volume of work the committee has before it today, it would be the Chair's intention to continue markup with a very brief period for lunch and we will work until we have completed both bills.

I am aware that Members and their families wish to attend the White House function this evening and we will do everything pos-

sible to complete our work by 6:30.

The Chair expects roll call votes on some of the amendments. The quorum of one-third of the committee members will be required for such votes. Therefore, the Chair would urge Members to remain in attendance if possible or to remain accessible for the duration of the markup.

The Chair would ask the ranking Member who has been very co-

operative in this process, if he has any comments. Mr. Gilman.

Mr. GILMAN. Thank you, Mr. Chairman. I would like to first recognize the subcommittee chairman, Mr. Berman, and the ranking Republican Member, Ms. Snowe, for their work in bringing this State Department, USIA and Related Agencies authorization bill before the full committee today.

The authorization of the operations and budgets for the foreign affairs agencies is an important part of the job of our Foreign Affairs Committee and I believe this bill certainly reflects initiatives

that will help to improve the management of these agencies.

The subcommittee members are also to be commended for their efforts to craft a bill that reflects the reality of extremely limited resources. It is now up to the committee to report a bill that sup-

ports fiscal responsibility.

Mr. Chairman, I am pleased to see that the bill includes most of the provisions of the Terrorist Interdiction Act of 1993 which I cosponsored along with Ms. Snowe and Mr. McCollum. This measure provides for automation of all overseas visa operations and requires our U.S. Embassy officials to certify that these applicants have in fact been checked for terrorist or criminal activities before a visa is issued. It is the first step in closing the door to these terrorists and other criminal aliens.

Mr. Chairman, one of the key initiatives in this bill implements the administration's request for maximum flexibility in the organization of the Department of State. That flexibility is achieved by eliminating statutorily created positions, investing these authori-

ties in the Secretary of State.

While I embrace management flexibility, I am greatly concerned about the loss of the coordinator for counterterrorism and its relegation to a Deputy Assistant Secretary in the new multiple function Office for Narcotics, Terrorism and International Crime. As we all know, counterterrorism is no less an issue today and these matters demand a high level visibility within the Department of State.

At the appropriate time, I intend to offer an amendment to restore that position of coordinator for counterterrorism.

I look forward to the consideration of this bill and again commend the subcommittee and their staff for their diligent efforts to prepare the bill before us.

I would like to request additional time to continue my comments

when we consider the foreign aid portion of the bill.

Thank you, Mr. Chairman.

Chairman HAMILTON. Thank you, Mr. Gilman. Are there questions or comments at this point? [No response.]

Chairman Hamilton. Members have before them the draft of part one and accompanying documents.

The clerk will report the title of the bill.

Mr. FINLEY. Committee print, part one, to authorize appropriations for fiscal years 1994 and 1995 for the Department of State and for other purposes.

Chairman HAMILTON. Without objection, further reading of the bill will be dispensed with, printed in the record in full and open

for amendment.

[The committee print may be found on page 573.]

The Chair recognizes the chairman of the Subcommittee on International Operations to explain the draft legislation and the subcommittee's action.

Mr. BERMAN. Thank you very much, Mr. Chairman. Mr. Chairman, members of the committee, the subcommittee reported bill, which is before you today, represents the culmination of several months of hard work among majority and minority members of the subcommittee and most particularly majority and minority staff to the subcommittee. This bill represents, I believe, what is largely a bipartisan product.

With this in mind, before proceeding to outline some of the major provisions of the bill, I would like to express my appreciation to Ms. Snowe, the distinguished ranking Member, for her cooperation

and support.

This bill provides basic authorization for fiscal years 1994 and 1995 for the operating expenses of the Department of State, the U.S. Information Agency, Arms Control and Disarmament Agency and the Agency for International Development. The bill provides no authorization for bilateral Foreign Assistant Programs. These will be the subject of the Foreign Assistance Authorization Act to be taken up subsequently. The bill before us is, as we sometimes call it, the bureaucracy bill; the policy bill will follow shortly.

Members will find in their folders a copy of the subcommitteereported bill from which we will work. A section-by-section analysis is included in each folder along with a spreadsheet summarizing

the proposed authorization levels.

Let me speak for an a moment about the authorization levels. The subcommittee has in budget terms adhered in its authorization levels to the limitations and assumptions of the fiscal year 1994 congressional budget resolution. While that is not compelled by the Budget Act, it is a discipline that the chairman and the Members

of the committee have all agreed made the most sense.

This means that the subcommittee-reported bill offsets every add-on above the levels assumed by the budget resolution with a corresponding cut. This is simply a reflection of the reality that the days are long gone when we could add things to administration requests without showing the Appropriations Committee how we intend to pay for them. With this in mind, I feel obliged to forewarn my colleagues that it is my intent-and I believe Ms. Snowe's, as well—to oppose any amendments which increase funding authorizations without making specific offsetting cuts.

The funding provisions of the bill are austere, to say the least. The administration's request was a hard freeze to all operating accounts. The subcommittee-reported bill makes further cuts to the two principal State Department operating accounts and personnel reductions in bureaucracy so as to preserve essential programs. The bill would constrain the Foreign Service bureaucracy in the one area in which the subcommittee feels that abuses have become egregious and that is in the area of personnel. The senior Foreign Service has now grown to historic highs, out of all proportion to genuine need. It constitutes 10 percent of the Foreign Service work force compared to less than the one percent that the SES, Senior Executive Service, constitutes of the civil service work force.

By the Department's own account, 75 FSO's were promoted to senior ranks last year with no jobs to send them to; 912 people at State consume \$200 million in pay and benefits or 20 percent of the salary account. The Department is closing posts and is promoting unneeded seniors. AID and USIA have similar problems. State's Washington bureaucracy has exploded in the last decade. The bill seeks to halt and reverse this process. It provides ceilings similar

to those enacted in annual defense authorization acts.

The centerpiece of the draft bill, in my opinion, is its provision for organizational flexibility for the State Department. The bill as drafted provides a degree of organizational and management flexi-

bility virtually unmatched among all cabinet agencies.

It authorizes all subcabinet appointments the Department has requested and allows the Secretary to shuffle and reshuffle positions, bureaus and offices in any way he sees fit. With rare exceptions, the bill would repeal all statutory micromanagerial provisions which preserve existing positions and organizations at State.

It evidences our willingness in this time to allow the executive branch to organize itself in the most efficient way possible, subject to notification. Since we have cut authorization, since we demand tough decisions, we want to give you the maximum amount of flexibility to make those decisions consistent with the basic law dealing with the State Department authorities.

Let me shift now to the policy issues.

The bill contains most of the ACDA Revitalization Act, H.R. 2155, a bill recently introduced by Congressman Lantos and myself. I want to commend Congressman Lantos for his work on this provision. I recognize that his subcommittee has jurisdiction over the elements contained therein, but due to time constraints, Mr. Lantos was most gracious to allow its consideration in this bill.

This important policy initiative, long overdue, was not requested by the administration. Over the last several months, the administration has been reviewing options concerning the Arms Control and Disarmament Agency's future. I was delighted when Secretary Christopher informed me last week that he had decided to keep ACDA as an independent agency and to revitalize it. It has played a vital role in pursuit of important objectives in arms control.

With the end of the cold war, ACDA's mission is no less important. I understand that the State Department and Arms Control and Disarmament Agency are now engaged in serious discussions

concerning ACDA's revitalization.

Title 3 of this bill represents Congressman Lantos' and my view about the institutional changes necessary. I want to make it clear, however, that as far as I am concerned the provisions in the bill now are without prejudice to the outcome of the administration's

deliberations. I also want to assure Members that nothing should or will be done in this bill as it moves forward that will in any way undercut the primacy of the Secretary of State. I look forward to working with the administration closely so that an en bloc amendment reflecting the administration's deliberations may be offered when the bill is considered on the floor.

I would also like to mention that the draft bill also includes full funding for a U.S. contribution to UNESCO, which is without an

administration request.

Included in the bill is my legislation, the International Broad-casting Act of 1993, which I introduced in March with the intent of providing a broad and flexible outline for broadcasting services as we restructure their mission and organization. The administration here also, as in the case of ACDA, is in the final stages of preparing a detailed consolidation proposal that can be endorsed by the broad range of those with an interest in the future of broad-

casting.

I think it is extremely significant that the plan was drafted by both USIA Director Duffey, and Bureau for International Broadcasting Chairman Dan Mica, our former colleague, together with senior staff of the Voice of America, and Radio Free Europe/Radio Liberty. The proposal will be unveiled in the next few days and we intend to hold hearings as soon as practicable within the next few weeks to allow Members the opportunity to assess and analyze the plan with a view to crafting a substitute for the provisions contained in the International Broadcasting Act of 1993.

I will offer an amendment as part of the en bloc amendments, mindful of the views of Mr. Levy and Mr. Diaz-Balart, to the current broadcasting provisions in the bill in order to ensure that the language contained in the bill is not in any way construed as pre-

judging the final outcome of broadcasting consolidation.

I would ask that Members understand that what we will do in part is to undo the repeal of the existing agencies, the BIB and Ad-

visory Committee on Cuban Broadcasting.

I would ask Members if they would be willing to refrain from offering amendments to this area, reserving that right for when we have had an opportunity to consider the administration's plan.

A great many issues which have surfaced since subcommittee markup have been resolved by staff. These will be addressed by an en bloc amendment agreed to by the minority which I will offer.

I thank you, Mr. Chairman, and I yield back.

Chairman HAMILTON. The Chair now recognizes ranking Member of the subcommittee, Ms. Snowe.

Ms. SNOWE. Thank you, Mr. Chairman.

I want to extend my appreciation to the gentleman from California, Congressman Berman, for his efforts to develop a bipartisan legislation during the course of this authorization process. As the gentleman has indicated, it does authorize the budgets and operations for the foreign affairs agencies providing as well as for our authorization for international organizations.

I am pleased the gentleman addressed issues raised in subcommittee that would have created serious concerns with the legislation and now those concerns will be removed in the en bloc

amendment that will be offered later by the gentleman.

I have to say in concurrence with the gentleman from California, I have been ranking Republican on this subcommittee since 1985 and we have had very lean budgets in the past, but this is the leanest budget ever with respect to the State Department authorization. In fact, I have to commend the State Department because

they did submit a very austere budget on their behalf.

The fact of the matter is it is going to represent a hard freeze at the 1993 appropriated level. There are slight increases in the area of population and refugees and, of course, our assessed contributions to international organizations and our international peacekeeping responsibilities, but the subcommittee did in addition to what State Department submitted for a budget, reduce the budget by another \$111 million leaving the bill well under the current services for foreign affairs agencies.

In fact, the overall funding of \$7.3 billion, the bill remains \$76 million above the 1993 appropriated level and by the time this legislation reaches the floor, that we ought to find further reductions. But I would add to this point, the State Department has recommended the reduction of 846 positions between fiscal years 1993

and 1995

I think that that is also very significant when it comes to beginning to reduce the size of the bureaucracy at the State Department, and in addition has recommended 20 post closings, 17 of which will

occur in 1994.

The bill retains the administration's request for the most part, providing the executive branch and in particular the Secretary of State with tremendous organizational flexibility in order to implement the funding reductions contained in this bill without affecting their foreign policy interests.

For example, this bill will require 15 percent cuts in the ranks

For example, this bill will require 15 percent cuts in the ranks of the Senior Foreign Service at the State Department. There are currently 912 members of the Senior Foreign Service at the State Department out of a total officer corps of 4,500. So it is very top

heavy in the Senior Foreign Service.

The State Department has one percent of all Federal employees and yet has more than 10 percent of all senior grade positions in the U.S. Government.

So in addition to this 15 percent requirement, we have also requested a GAO study of all the senior positions at the State Department and we would expect to respond to that study once it is released and perhaps there will be additional recommendations for

reductions in the Senior Foreign Service, as well.

In addition, we place legislative limits on under secretaries and assistant secretaries and also for the first time we provide for limiting the number of mid-level deputy assistant secretaries from their historic high of 93. Deputy assistant secretaries we now limit the Department to no more than 66.

So this will help give the State Department the management tools to implement personnel reductions and at the same time protect it in the future from the bureaucratic bracket creep that has

occurred over the last several decades.

In addition, two agencies have been added to this authorization, the Arms Control and Disarmament Agency, as well as the Agency for International Development; and we also extend to this bill the programming and reauthorization requirements that have long

been in force in the State Department and other agencies.

In addition, Mr. Chairman, Congressman Berman and I have provided for language in this bill that would provide for a human rights advocate for women within the Bureau of Human Rights. This is very important because 80 percent of all the refugees in the world are women and children and we think that it is very important that we have an appointment of woman human rights advocate in the Bureau to carryout the purposes of this legislation.

In addition, we require comprehensive standards to be established to meet the needs of women and children as refugees. Women and children not only are victimized within their own country during the course of social and civil unrest, but once they flee they continue to be victims of abuse. So we are asking the State Department and our Government to carryout to the fullest extent possible the implementation of the 1994 United Nations High Commissioner for Refugees' report for the full protection of refugee women.

As Congressman Gilman indicated, language has been incorporated in this legislation in conjunction with Congressman Gilman, concerning changes in the State Department's microfiche system and the look-out visa system that has allowed in the past for dangerous individuals to enter the United States because of an in-

adequate system.

We call for personal accountability. When an individual in our Embassy or consulate office fails to meet the prescribed standards and procedures, they, too, will be held personally accountable. The example I can cite today as one failure of the system was the Sheik Abdel Rahman who has been implicated in the New York World Trade Center bombing. He was able to enter the United States on

multiple occasions because of the failure of our system.

So we have addressed that in this legislation, and in addition we are asking Congressman McCollum and the Judiciary Committee to address a statute that was changed in 1990 whereby an individual who was a member of a terrorist organization can still enter the United States because we would have to prove that he or she was about to commit a terrorist act or had been part of a terrorist activity. That burden of proof is substantial so we want to change it back to the original law that says we will preclude any individual from entering the United States that has been a member of a terrorist organization.

In conclusion, Mr. Chairman, I just would add one other issue. I have recommended in the en bloc amendment that we address the issues that have been raised by Dick Thornburg, who was the Under Secretary General for the Administration and Management at the United Nations. Back in March, Mr. Thornburg issued what I thought was a condemning report on the budgetary procedures of the United Nations which, as we all recall, has been addressed through withholding our assessments to the United Nations and therefore we have these arrearages. We are trying to impose fiscal

restraint and fiscal accountability at the United Nations.

But, regrettably, according to Mr. Thornburg's very detailed report, the authorization is almost totally lacking in effective means to deal with fraud, waste and abuse.

So one of his major recommendations was to create a strong and independent inspector general. The subcommittee has created that IG for the State Department. We think the same should be created at the United Nations and we calling for the executive branch, the President and Secretary of State, to do everything within their power to get the United Nations to create a position of inspector general. We have a major interest because we are the major donor as far as contributions are concerned. I am really dismayed that heretofore for all we have attempted to do to change the fiscal course of the United Nations, that we still face serious budgetary problems there.

So I think that this is one step in the right direction.

Finally, I would like to again express my appreciation to Congressman Berman on some of these very difficult issues. Again, I will continue to address the financial side of the State Department bill. There are increases in here that I think have to be addressed and I will do so on the floor with amendments in conjunction, hopefully, with Congressman Berman.

I might also say at this point that I am opposed to attaching both the State Department bill and foreign aid bill. I know this is not the appropriate place to discuss this, but I want to express my op-

position to this approach.

It is the first time it will have been undertaken in my memory. We have managed to pass the State Department bill since I have been ranking Republican and with the previous chairmen of the subcommittees and that has not always been the case with the foreign aid bill. We have managed to pass the State Department bill since 1985 on every authorization process. By linking both of these bills, we will be creating the largest foreign aid bill ever.

If we have to request a restrictive rule, that will be very difficult to accept because of the numerous Members who would want to offer to this legislation. So I hope we will not link these two bills because I certainly couldn't recommend this to my Republican colleagues because it certainly would be unprecedented in many respects. I hope we have a chance to discuss that issue later on, Mr.

Chairman, in the procession. Thank you.

Chairman HAMILTON. We will have an opportunity to discuss that, Ms. Snowe, and I think you may have heard my remarks earlier with respect to the reasons why we did that. We will be happy to discuss it with you further. I want to express my thanks to you and Mr. Berman for the manner in which you have shaped this State Department authorization bill. You and the other Members of the subcommittee have done outstanding work.

The clerk will designate the first title of the bill.

#### TITLE I

Mr. FINLEY. Title I, Department of State and Related Agencies. Chairman HAMILTON. Without objection, the further reading of the title will be dispensed with, printed in the record and open for amendment.

#### EN BLOC AMENDMENT OFFERED BY MR. BERMAN

The Mr. Berman is recognized in support of the en bloc amendment.

I want to say to Members that we will try to enforce fairly rigorously the 5-minute rule in order to keep things moving.

Mr. Berman.

Mr. BERMAN. Mr. Chairman, I ask unanimous consent that the en bloc amendment be entertained even though it amends all titles of this bill not simply title I.

Chairman Hamilton. Without objection, so ordered.

[The amendment follows:]

Page 30, line 6, strike "and".

Page 30, line 8, strike the period and insert a semicolon.

#### Page 30, after line 8 insert the following:

- 1 (4) members of the Service subject to involun-2 tary separation in cases in which such separation 3 has been suspended pursuant to section 1106(8) of 4 the Foreign Service Act of 1980; and
  - (5) members of the Service serving under limited appointments pursuant to section 305(b) of the Foreign Service Act of 1980.

#### (d) WAIVER AUTHORITY.—

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(1)(A) Subject to subparagraph (B), the Secretary of State, the Director of the United States Information Agency, and the Director of the Agency for International Development may waive any limitation under subsection (a) or (b) which applies to the Department of State, the United States Information Agency, or the Agency for International Development, respectively, to the extent that such waiver is necessary to carry on the foreign affairs functions of the United States.

1	(B) Not less than 15 days before any agency
2	head implements a waiver under subparagraph (A),
3	such agency head shall notify the Committee on For-
4	eign Affairs of the House of Representatives and the
5	Committee on Foreign Relations of the Senate. Such
6	notice shall include an explanation of the cir-
7	cumstances and necessity for such waiver.

Page 5, line 3, strike "\$1,685,047,000" and insert "\$1,687,797,000".

Page 5, line 4, strike "\$1,730,543,000" and insert "\$1,733,368,000".

Page 5, line 8, strike "\$446,203,000" and insert "\$464,203,000".

Page 5, line 9, strike "\$458,250,000" and insert "\$476,520,000".

Page 11, line 18, strike "\$407,750,000" and insert "\$390,000,000".

Page 11, line 19, strike "\$392,750,000" and insert "\$390,000,000".

Page 12, lines 24 and 25, strike "each of the fiscal years 1994 and 1995," and insert "fiscal year 1994".

Page 13, strike line 24 and all that follows through line 13 on page 14.

Page 33, line 7, strike "Assistant" and all that follows through line 10, and insert "Secretary of State, jointly with the Director of the United States Information Agency, the Director of the Arms Control and Disarmament Agency, and the Administrator".

Page 86. line 2, strike "\$484,854,000" and insert "\$489,854,000".

Page 20, after line 2, insert the following:

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1	(c) REPROGRAMMING.—Section 34 of the State De-
2	partment Basic Authorities Act (22 U.S.C. 2706) is
3	amended in subsection (a)(7) by striking "\$500,000" and
4	inserting "\$1,000,000".
	Page 134, line 2, strike "\$500,000" and insert
66	\$1,000,000".
	Page 98, strike line 20, and insert the following:
5	U.S.C. 1476(f) is amended—
6	(1) in paragraph (1)—
7	(A) by striking "the second" and inserting
8	"either"; and
9	(B) by striking "such second" and insert-
10	ing "such"; and
11	(2) by striking paragraph (4).
	Page 30, strike lines 21 through 23.
	Page 36, strike lines 20 through 23.

Page 39, line 5, strike "19" and insert "21".
Page 39, line 12, strike "63" and insert "66".

Page 60, lines 6 and 7, strike "Director of the Office of Personnel Management" and insert "Comptroller General of the United States".

Page 60, line 14, strike "Director" and insert "Comptroller General".

Page 60, line 24, strike "10" and insert "25".

Page 60, line 22, strike "1994," and insert "1995.".

Page 63, strike lines 3 through 6, and insert the following:

1 (B) provide early notification of construc2 tion of new facilities and modifications to exist3 ing facilities and the early submission of design
4 information regarding such new or modified fa5 cilities; and

Page 62, line 2, strike "shall" and insert "should".

Page 31, line 20, strike "The Secretary" and all that follows through line 24, and insert the following:

- 1 "Pursuant to such regulations as the Secretary of
- 2 State may prescribe, the Secretary may designate any
- 3 other employee of the Department of State who is a citizen
- 4 of the United States to perform any notarial function au-
- 5 thorized to be performed by a consular officer of the Unit-
- 6 ed States under this Act.".

Page 38, line 12, after the period insert "The Secretary shall not have any authority given expressly to diplomatic or consular officers.".

Page 35, line 5, strike "6" and insert "18".

Page 35, line 11, strike "Whenever a United States consular official" and insert "Beginning 18 months after the date of the enactment of this Act, whenever a United States consular officer".

Page 35, strike line 20 and all that follows through line 13 on page 36 and insert the following:

(B) If, at the time an alien applies for an immi-1 2 grant or nonimmigrant visa, the alien's name is in-3 cluded in the Department of State's visa lookout system and the consular officer to whom the applica-4 5 tion is made fails to follow the procedures in proc-6 essing the application required by the inclusion of 7 the alien's name in such system, the consular offi-8 cer's failure shall be made a matter of record and shall be considered as a serious negative factor in 9 10 the officer's annual performance evaluation.

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(2) If an alien to whom a visa was issued as a result of a failure described in paragraph (1)(B) is admitted to the United States and there is thereafter probable cause to believe that the alien was a participant in a terrorist act causing serious loss of life or property in the United States, the Secretary of State shall convene an Accountability Review Board under the authority of title III of the Omnibus Diplomatic Security and Antiterrorism Act of 1986.

Page 61, after line 2, insert the following new section:

#### 1 SEC. 149. AMENDMENTS TO TITLE 5.

- 2 (a) AWAY-FROM-POST EDUCATION ALLOWANCE.—
- 3 Section 5924(4)(A) of title 5, United States Code, is
- 4 amended by inserting after the first sentence the fol-
- 5 lowing: "When travel from school to post is infeasible,
- 6 travel may be allowed between the chool attended and the
- 7 home of a designated relative or family friend or to join
- 8 a parent at any location, with the allowable travel expense
- 9 not to exceed the cost of travel between the school and
- 10 post.".
- 11 (b) EDUCATIONAL TRAVEL FOR COLLEGE STUDENTS
- 12 STUDYING ABROAD.—Section 5924(4)(B) of title 5, Unit-
- 13 ed States Code, is amended in the first sentence after "in
- 14 the United States" by inserting "(or to and from a school
- 15 outside the United States if the dependent is attending
- 16 that school for less than one year under a program ap-
- 17 proved by the school in the United States at which the
- 18 dependent is enrolled)".

Page 61, after line 2, insert the following new section:

1	SEC.	149.	AMENDMENTS	то	CHAPTER	11	OF	THE	FOREIGN
2			SERVICE A	CT.					

- 3 (a) GRIEVANCE BOARD PROCEDURES.—Section 1106
- 4 of the Foreign Service Act of 1980 (22 U.S.C. 4136) is
- 5 amended in the first sentence of paragraph (8) by striking
- 6 "until the Board has ruled upon the grievance." and in-
- 7 serting "for up to one year, or until the Board has ruled
- 8 upon the grievance, whichever period is shorter. The
- 9 Board shall extend the one-year limit and the Department
- 10 shall continue to suspend such action, if the Board deter-
- 11 mines that the agency or the Board is responsible for the
- 12 delay in the resolution of the grievance.".
- 13 (b) TIME LIMITATION ON REQUESTS FOR JUDICIAL
- 14 REVIEW.—Section 1110 of the Foreign Service Act of
- 15 1980 (22 U.S.C. 4140) is amended in the first sentence
- 16 by inserting before the period ", if the request for judicial
- 17 review is filed not later than 180 days after the final ac-
- 18 tion of the Secretary or the Board (or in the the case of
- 19 an aggrieved party who is posted abroad at the time of
- 20 the final action of the Secretary or the Board, if the request for judicial review is filed not later than 180 days after the aggreed party's return to the United States)".

Page 88, strike lines 18 through 20.

Page 91, line 22, strike "under this Act".

Page 92, strike line 20 and all that follows through line 3 on page 93.

Page 24, strike line 17 and all that follows through line 17 on page 28 and insert the following:

line 17 on page 28 au	nd insert the following:
l SEC. 116. PROHIBIT	TON ON DISCRIMINATORY CONTRACTS.
2 (a) PROHIBITI	тон.—
3 (1) Exce	pt for real estate leases and as pro-
4 vided in subs	section (b), the Department of State
5 may not enter	r into any contract that expends funds
6 appropriated	to the Department of State for an
7 amount in ex	ess of the small purchase threshold (as
8 defined in se	ection 4(11) of the Office of Federal
9 Procurement	Policy Act (41 U.S.C. 403(11))
10 (A)	with a foreign person that complies
11 with the	Arab League boycott of Israel, or
12 (B)	with any foreign or United States per-
son that	t discriminates in the award of sub-
14 contract	s on the basis of religion.
15 (2) For	purposes of this section—
16 (A)	a foreign person complies with the boy-
17 cott of	Israel by Arab League countries when
18 that for	eign person takes or knowingly agrees
19 to take	any action, with respect to the boycott
20 of Israe	l by Arab League countries, which sec-
21 tion 8(a	a) of the Export Administration Act of

1	1979 prohibits a United States person from
2	taking, except that for purposes of this para-
3	graph, the term "United States person" as used
4	in subparagraphs (B) and (C) of section 8(a)(1)
5	of such Act shall be deemed to mean "person";
6	and

- (B) the term "foreign person" means any person other than a United States person as defined in section 16(2) of the Export Administration Act of 1979.
- (3) For purposes of paragraph (1), a foreign person shall be deemed not to comply with the boycott of Israel by Arab League countries if that person, or the Secretary of State or his designee on the basis of available information, certifies that the person violates or otherwise does not comply with the boycott of Israel by Arab League countries by taking any actions prohibited by section 8(a) of the Export Administration Act of 1979. Certification by the Secretary of State or his designee may occur only 30 days after notice has been given to the Congress that this certification procedure will be utilized at a specific overseas mission.
- (b) WAIVER BY SECRETARY OF STATE.—The Sec-retary of State may waive the requirements of this section

1	on a country-by-country basis for a period not to exceed
2	one year upon certification to the Congress by the Sec-
3	retary that such waiver is in the national interest and is
4	necessary to carry on diplomatic functions on the United
5	States. Each such certification shall include a detailed jus-
6	tification for the waiver with respect to each such country.
7	(c) RESPONSES TO CONTRACT SOLICITATIONS.—(1)
8	Except as provided in paragraph (2) of this subsection,
9	the Secretary of State shall ensure that any response to
0	a solicitation for a bid or a request for a proposal, with
1	respect to a contract covered by subsection (a), includes
12	the following clause, in substantially the following form:
13	"ARAB BOYCOTT OF ISRAEL
14	"(a) DEFINITIONS.—As used in this clause—
15	"(1) the term 'foreign person' means any per-
16	son other then a United States person as defined in
17	paragraph (2); and
18	"(2) the term 'United States person' means any
19	United States resident or national (other than an in-
20	dividual resident outside the United States and em-
21	ployed by other than a United States person), any
22	domestic concern (including any permanent domestic
23	establishment of any foreign concern), and any for-
24	eign subsidiary or affiliate (including any permanent
25	foreign establishment) of any domestic concern

1	which is controlled in fact by such domestic concern,
2	as determined under regulations of the President.
3	"(b) CERTIFICATION.—By submitting this offer, the
4	Offeror certifies that it is not—
5	"(1) taking or knowingly agreeing to take any
6	action, with respect to the boycott of Israel by Arab
7	countries, which section 8(a) of the Export Adminis-
8	tration Act of 1979 (50 U.S.C. App. 2407(a)) pro-
9	hibits a United States person from taking; or
10	"(2) discriminating in the award of sub-
11	contracts on the basis of religion.".
12	(2) An Offeror would not be required to include the
13	certification required by paragraph (1), if the Offeror is
14	deemed not to comply with the Arab League boycott of
15	Israel by the Secretary of State or a designee on the basis
16	of available information. Certification by the Secretary of
17	State or a designee may occur only 30 days after notice
18	has been given to the Congress that this certification pro-
19	cedure will be utilized at a specific overseas mission.
20	(3) The Secretary of State shall ensure that all State
21	Department contract solicitations include a detailed expla-
22	nation of the requirements of section 8(a) of the Export
23	Administration Act of 1979 (50 U.S.C. App. 2407(a)).
24	(d) REVIEW OF TERMINATION.—(1) The Department

25 of State shall conduct reviews of the certifications submit-

- 1 ted pursuant to this section for the purpose of assessing
- 2 the accuracy of the certifications.
- 3 (2) Upon complaint of any foreign or United States
- 4 person of a violation of the certification as required by
- 5 this section, filed with the Secretary of State, the Depart-
- 6 ment of State shall investigate such complaint, and if such
- 7 complaint is found to be correct and a violation of the cer-
- 8 tification has been found, all contracts with such violator
- 9 shall be terminated for default as soon as practicable, and,
- 10 for a period of two years thereafter, the State Department
- 11 shall not enter into any contracts with such a violator.

Page 34, line 21, before the period insert ", which shall include the payment of any fees for access to the criminal history records of the Federal Bureau of Investigation for processing visa applications and making immigration eligibility determinations".

Page 56, strike lines 11 through 13 and insert the following:

1 (1) an amount equal to the amount the member 2 would be entitled to receive under section 5595(c) of 3 title 5, United States Code, if the member were enti-4 tled to payment under such section; or"

Page 57, after line 9, insert the following:

- 5 (e) United States Information Agency and
- 6 AGENCY FOR INTERNATIONAL DEVELOPMENT.—
- 7 The Director of the United States Information Agen-
- 8 cy and the Director of the Agency for International Devel-
- 9 opment are authorized to exercise the same authorities
- 10 with respect to members of the Foreign Service serving
- 11 at the United States Information Agency and the Agency
- 12 for International Development, respectively, as the Sec-
- 13 retary of State is authorized to exercise with respect to
- 14 members of the Foreign Service under this section.

#### OFFERED BY MR. BERMAN

Page 85, after line 4, insert the following new sections:

#### 1 SEC. 191. TRANSPARENCY IN ARMAMENTS.

2 It is the sense of the Congress that—

- (1) no sale of any defense article or defense service should be made, no license should be issued for the export of any defense article or defense service, and no agreement to transfer in any way any defense article or defense service should be made to any nation that does not fully furnish all pertinent data to the United Nations Register of Conventional Arms pursuant to United Nations General Assembly Resolution 46/36L by the reporting date specified by such register; and
  - (2) if a nation has not submitted the required information by the reporting date of a particular year, but subsequently submits notification to the United Nations that it intends to provide such information at the next reporting date, an agreement may be negotiated with the nation or a license may be issued, but the actual delivery of such defense article or service should not occur until that nation submits such information.

1	SEC. 192. REVITALIZATION OF THE "PERMANENT FIVE"
2	PROCESS.
3	(a) CONGRESSIONAL DECLARATIONS.—The Congress
4	makes the following findings and declarations:
5	(1) Talks among the five permanent members
6	of the United Nations Security Council ("Perm-5")
7	first established in October 1991 present the best
8	opportunity to negotiate qualitative and quantitative
9	guidelines on conventional arms sales to the develop-
0	ing world.
1	(2) Reconvening of the "Perm-5" talks is an
2	urgent matter of international security.
3	(b) SENSE OF CONGRESS.—It is the sense of the Con-
4	gress that the President should seek to restart "Perm-5"
5	talks and should report to the Congress on the progress
6	of such talks and the effects of United States agreements
7	since October 1991 to sell arms to the developing world.
8	SEC. 193. REPORT ON THE IMPACT OF CONVENTIONAL
9	WEAPONS PROLIFERATION.
20	Section 36(b) of the Arms Export Control Act (22
21	U.S.C. 2776) is amended in paragraph (1) by inserting
22	after the first sentence "Each certification shall provide
2.3	an evaluation of the manner in which the proposed sale
24	would meet legitimate defense needs of the foreign country
2.5	or international organization to which the sale would be
26	made, increase regional tensions or instability, and intro-

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- 1 duce new or more sophisticated military capabilities into
- 2 the region.".

Page 102, strike lines 20 through 25, and insert the following:

- 1 Notwithstanding any other provision of law, the Unit-
- 2 ed States Information Agency is not authorized to repro-
- 3 gram funds in order to obligate or expend any funds for
- 4 a United States Government funded pavilion or other
- 5 major exhibit at any international exposition or world's
- 6 fair registered by the Bureau of International Expositions
- 7 in excess of amounts expressly authorized and appro-
- 8 priated for such purpose.

Page 78, line 16, after "shall" insert "seek to".

Page 79, line 18, insert "skills" before "training".

Page 80, line 7, strike "gender-specific" and insert "gender-awareness".

Page 7, strike lines 7 through 9.

Page 7, strike lines 17 through 22.

Page 86, strike line 11 and all that follows through line 24.

Page 87, line 9, after "For" insert "Hubert H. Humphrey Fellowship Program", "Edmund S. Muskie Fellowship Program", "International Visitors Program", "Israeli-Arab Scholarship Program",".

Page 87, lines 12 and 13, strike "East Europe Training Programs,".

Page 87, line 20, strike "\$41,807,000" and insert "\$109,079,000".

Page 87, line 21, strike "\$42,936,000" and insert "\$111,835,000".

Page 87, strike lines 1 through 8.

Page 88, after line 17, insert the following:

- 1 (8)AMERICAN STUDIES COLLECTIONS.—To the 2 Bureau of Educational and Cultural Affairs of the
- 3 United States Information Agency—
- 4 (A) \$1,650,000 for the fiscal year 1994 5 and \$1,950,000 for the fiscal year 1995 to fund
- 6 the endowment authorized to be established
- 7 under section 239; and
- 8 (B) in addition to such amounts under 9 subparagraph (A), \$450,000 for each of the fiscal years 1994 and 1995 to carry out section 239.

Page 88, strike lines 21 through 24.

Page 101, after line 8, insert the following:

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- (1) The Director of the United States Information Agency is authorized to establish an endowment fund (hereafter in this section referred to as the "fund") to carry out the purposes of this section and to enter into such agreements as may be necessary to carry out the purposes of this section.
- (2)(A) The Director shall make deposits to the fund of amounts appropriated to the fund under section 201.
- (B) The Director is authorized to accept, use, and dispose of gifts of donations of services or property to carry out this section. Sums of money donated to carry out the purposes of this section shall be deposited into the fund.
- (3) The corpus of the fund shall be invested in Federally-insured bank savings accounts or comparable interest-bearing accounts, certificates of deposit, money market funds, obligations of the United States, or other low-risk instruments and securities.
- (4) The Director may withdraw or expend amounts from the fund for any expenses necessary to carry out the purposes of this section.

Page 55, strike line 13 and all that follows through line 26, and insert the following:

-	are no, and miser and ronowing.
1	"(e)(1) Notwithstanding any other provision of this
2	chapter—
3	"(A) participation in the management of a
4	labor organization for purposes of collective bargain-
5	ing or acting as a representative of a labor organiza-
6	tion for such purpose is prohibited under this
7	chapter—
8	"(i) on the part of any management offi-
9	cial or confidential employee;
0	"(ii) on the part of any individual who has
1	served as a management official or confidential
2	employee during the preceding two years; or
3	"(iii) on the part of any other employee if
4	the participation or activity would result in a
5	conflict of interest or apparent conflict of inter-
6	est or would otherwise be incompatible with law
7	or with the official functions of such employee;
8	and
9	"(B) service as a management official or con-
0	fidential employee is prohibited on the part of any
1	dividual having participated in the management of a

- labor organization or having acted as a rep-
- 2 resentative of a labor organization during the pre-
- 3 ceding two years.
- 4 "(2) For the purposes of paragraph (1)(A)(ii) and
- 5 paragraph (1)(B), the term 'management official' shall
- 6 not include chiefs of mission, principal officers, and their
- 7 deputies.".

Page 40, after line 6, insert the following:

(e) Nothing in this part reassigns any function that is on the date of enactment of this Act vested by law or executive order in the Department of Commerce, the Federal Communications Commission, or any officer thereof.

## AMENDMENT TO THE COMMITTEE PRINT OFFERED BY Mr. BERMAN

Page 39, after line 13, insert the following:

1	"(e) OTHER SENIOR OFFICIALS.—In addition to such
2	other officials of the Department of State who are author-
3	ized to be compensated at level IV of the Executive Sched-
4	ule under section 5215 of title 5, not more than 4 other
5	officers of the Department of State shall be appointed by
6	the President, by and with the advice and consent of the
7	Senate, and shall be compensated at such level.".
8	
	Page 54, after line 22, insert the following:
9	(p) Office of Counselor; Legal Advisor.—
0	(1) The Act entitled "An Act to create the Of-
11	fice of Counselor of the United States" (May 18,
12	1937; Public Law 75-91; 22 U.S.C. 2655) is re-
13	pealed.
14	(2) The Act entitled "An Act for the reorga-
15	nization and improvement of the Foreign Service of
16	the United States and for other purposes" (May 24,
17	1924; Public Law 68-135; 22 U.S.C. 2654) is
18	amended by striking section 30.

# AMENDMENT TO THE COMMITTEE PRINT OFFERED BY Mr. BERMAN

Page 103, after line 14, insert the following:

SEC. 245. CHANGES IN ADMINISTRATIVE AUTHORITIES
(a) DISSEMINATION OF INFORMATION IN THE UNIT-
ED STATES.—The second sentence of section 501(a) of the
United States Information and Educational Exchange Act
of 1948 (22 U.S.C. 1461(a)) is amended to read as fol-
lows: "For fiscal years 1994 and 1995 and subject to sub-
section (b), any such information shall not be dissemi-
nated within the United States, its territories or posses-
sions, but, on request, shall be made available following
its release as information abroad, to representatives of
United States press associations, newspapers, magazines,
radio and television systems and stations, research stu-
dents and scholars, and members of Congress.".
(b) AUTHORITY TO RESPOND TO INQUIRIES.—Sec-
tion 208 of the Foreign Relations Authorization Act, Fis-
cal Years 1986 and 1987 (22 U.S.C. 1461-1a) is amended
by adding at the end the following: "The provisions of this
section shall not prohibit the United States Information
Agency from responding to inquiries from members of the
public abouts its operations, policies, or programs.".

### AMENDMENT TO THE COMMITTEE PRINT OFFERED BY MR. BERMAN

Page 62, line 7, before the comma insert "which as accepted full-scope safeguards".

Page 62, line 15, after "safeguards" insert "for members who have accepted full-scope safeguards".

Page 98, strike line 21 and all that follows through line 17 on page 99.

Page 10, line 8, insert "(A)" after "(2)".

Page 10, after line 11, insert the following:

- 1 (B) Of the authorizations of appropriations
- 2 under paragraph (1) for fiscal year 1994,
- 3 \$60,000,000 shall remain available until the appro-
- 4 printions are made.

Page 115, strike line 16 and all that follows through line 8 on page 126.

# AMENDMENT TO THE COMMITTEE PRINT OFFERED BY Mr. BERMAN

Page 85, after line 4, insert the following:

	Page 65, after time 4, insert the following:
1	SEC. 191. ESTABLISHMENT OF INDEPENDENT INSPECTORS
2	GENERAL AT INTERNATIONAL ORGANIZA-
3	TIONS.
4	The Congress makes the following findings and dec-
5	larations:
6	(1) As a result of the March 1, 1993, report by
7	then United Nations UnderSecretary General for
8	Administration and Management, the Honorable
9	Richard Thornburg, concern has been raised about
10	the United Nation's deficiencies in dealing with
11	fraud, waste, and abuse.
12	(2) It is the sense of the Congress that the
13	President should pay urgent attention to persuading
14	the Secretary General of the United Nations to take
15	immediate steps to implement the recommendations
16	contained in the March 1, 1993, report, giving
17	prominent attention to the finding that the organiza-
18	tion urgently needs the establishment of a strong
19	and independent office of inspector general for the
20	purposes of internal program and administrative
21	audit and efficiency review. It is further the sense of
22	the Congress that the reports and findings of an in-

1	spector general should be fully available to member
2	states.
3	(3) The President should seek to persuade
4	other international organizations of which the Unit-
5	ed States is a member to establish independent in-
6	spectors general, where applicable, in addition to
7	other steps to develop effective means to eliminate
8	fraud, waste, and abuse.
9	(4) It is the sense of the Congress that all re-
0	ports and findings of such inspectors general, or of
1	existing instrumentalities whose purpose is to pro-
2	vide audit and review functions to assist oversight by
.3	members, should be fully available to member states.
	Page 94. strike line 17 and all that follows through
li	ne 2 on page 95, and insert the following:
1	SEC. 231. CHANGES IN ADMINISTRATIVE AUTHORITIES.
2	Section 801 of the United States Informational and
3	Educational Exchange Act of 1948 (22 U.S.C. 1471) is
4	amended—
5	(1) in paragraph (5) by striking "and" after
6	the semicolon;
7	(2) in paragraph (6) by striking the period at
8	the end and inserting "; and"; and
9	(3) by adding at the end the following:
10	"(7) notwithstanding any other provision of
11	law, to carry out projects involving security con-
12	struction and related improvements for Agency fa-
13	cilities not physically located together with Depart-

14 ment of State facilities abroad.".

# AMENDMENT TO THE COMMITTEE PRINT OFFERED BY Mr. BERMAN

Page 94, strike line 17 and all that follows through line 2 on page 95, and insert the following:

-	
1.	SEC. 281. CHANGES IN ADMINISTRATIVE AUTHORITIES.
2	Section 801 of the United States Informational and
3	Educational Exchange Act of 1948 (22 U.S.C. 1471) is
4	amended—
5	(1) in paragraph (5) by striking "and" after
6	the semicolon;
7	(2) in paragraph (6) by striking the period at
8	the end and inserting "; and"; and
9	(3) by adding at the end the following:
10	"(7) notwithstanding any other provision of
11	law, to carry out projects involving security con-
12	struction and related improvements for Agency fa-
13	cilities not physically located together with Depart-
14	ment of State facilities abroad.".

# AMENDMENT TO THE COMMITTEE PRINT OFFERED BY Mr. BERMAN

Page 36, after line 23, insert the following:

	, , , , , , , , , , , , , , , , , , , ,
1	SEC. 127. ANNUAL COUNTRY REPORTS ON TERRORISM.
2	Section 140 of the Foreign Relations Authorization
3	Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f) is
4	amended in subsection (b)(2)—
5	(1) by striking "and" at the end of subpara-
6	graph (C);
7	(2) by striking the period at the end of sub-
8	paragraph (D) and inserting "; and"; and
9	(3) by adding at the end the following:
10	"(E) efforts by the United States to elimi-
11	nate international financial support provided to
12	those groups directly or provided in support of
13	their activities.".

### AMENDMENT TO THE COMMITTEE PRINT OFFERED BY MR. BERMAN

Page 77, strike lines 1 through 7.

Page 84, strike lines 12 through 17, and insert the following:

- 1 (3) The protection of United States citizens
- 2 abroad depends on their enjoying full protection
- 3 against war crimes and crimes against humanity
- 4 committed by foreign governments.

Page 85, strike lines 2 through 4 and insert "should be compensated by the Government of Germany.".

Page 29, line 1, strike "9,000," and insert "9,200,".

Page 29, line 2, strike "862" and insert "825".

Page 29, line 8, strike "1,600" and insert "1,850".

Page 29, line 14, strike "9,000," and insert "9,200,".

Page 29, line 15, strike "787" and insert "775".

Page 29, line 18, strike "155" and insert "165".

Page 29, line 21, strike "1,600" and insert "1,850".

Page 29, line 21, strike "220" and insert "240".

Mr. BERMAN. Mr. Chairman, is the en bloc amendment before us?

Chairman HAMILTON. It is. You are recognized in support of the

amendment

Mr. Berman. Mr. Chairman, there are a series of issues that have been resolved since the markup of the bill in subcommittee. Many of them are very technical. A sheet has been passed out to all the Members that summarizes these provisions. I would like to highlight just a couple of them, if I could.

As I mentioned before, we are making changes to Title II, Part B, concerning broadcasting activities, deleting the provisions which would have repealed the Board for International Broadcasting Act and eliminated the statutory requirement for Advisory Board for

Cuba Broadcasting.

This is in conjunction with the notion of waiting for the administration's proposal and not biasing that discussion one way or the other. We are making changes regarding discriminatory contracting and contracting with companies that go along with the Arab boycott. The amendments to this have been agreed to by the administration and Mr. Gejdenson. We are making amendments deleting the authorization in this bill for the North/South Center since that center has a permanent authorization in law.

We have added three amendments proposed by Mr. Edwards, amendments in which Mr. Lantos, Chairman of the Human Rights and International Security Subcommittee, concurs. Those amendments are number 20 on your list, adding sections 191, 192, and 193, and would express the sense of Congress that no U.S. defense exports be made to countries that do not furnish pertinent informa-

tion to the U.N. Arms Transfer Registry.

It would express the sense of Congress urging the President to restart the so-called perm five talks, and adds to the certification requirement of the Arms Export Control Act an evaluation of the impact of the proposed arms sales on regional stability and extent to which it would introduce newer capacities into the region.

I want to commend Mr. Edwards and Mr. Lantos. These are important provisions remanifesting the committee's desire that the administration maintain its commitment to conventional arms control and emphasis on that, and on providing important new au-

thorities for evaluating proposed arms sales.

One controversial issue in the subcommittee print is going to be deleted in this bill. That is the facilitation of private sector initiatives section, sometimes known as Free Trade in Ideas.

I have in my possession a letter from the Secretary of State dated June 7, 1993, which I would like to include in the record.

Chairman HAMILTON. Without objection it will be included in the record at this point.

[The letter follows:]

THE SECRETARY OF STATE, Washington, DC.

Hon. Howard L. Berman, Chairman, Subcommittee on International Operations, Committee on Foreign Affairs, House of Representatives.

DEAR MR. CHAIRMAN: I am writing in regard to the "Free Trade in Ideas Act of 1993", which is contained in Title II, Part E, of your legislation to authorize appro-

priations for fiscal years 1994 and 1995 for the Department of State.

I am pleased to take this opportunity to affirm the Administration's commitment to the dissemination of information and ideas as a significant element in the promotion of democracy, a central tenet of our foreign policy. If conducted in a manner which safeguards national security, and which does not merely constitute an informational pretext for evasion of the larger financial purposes of economic embargoes, the free flow of ideas and information is also consistent with the maintenance and enforcement of economic embargoes. Indeed, the free flow of information can advance rather than hinder the foreign policy goals which embargoes seek to accomplish.

Accordingly, the Department endorses the underlying objectives of the Free Trade in Ideas Act. Nonetheless, like you, we believe the Administration should retain the authority to control information flow for non-proliferation, anti-terrorism, export control and other highly compelling foreign policy or national security purposes. We also believe that the objectives of your legislation, for the most part, can be achieved through regulation although some statutory clarification of these matters may be

useful

I propose that the Department conduct, on an expedited basis, an inter-agency review of our existing sanctions programs, policies, and legislation to ensure they properly reflect our mutual commitment to the dissemination of information and ideas. We will consult closely with you and your staff during this review. In return, I ask that you agree to withdraw this Title from the bill when it comes before the full committee.

I hope this proposal will be satisfactory to you. I look forward to hearing from

you.

Sincerely,

WARREN CHRISTOPHER.

Mr. BERMAN. Since this was a subject of some discussion, let me

just briefly read the relevant portions of this letter.

I am pleased to take this opportunity to affirm the administration's commitments to the dissemination of information and ideas as a significant element in the promotion of democracy, an essential tenet of our foreign policy if conducted in a manner that safeguards national security and does not constitute an informational pretext for invasion for larger purpose of economic embargoes, the free flow of ideas and information is also consistent with the maintenance and enforcement of economic embargoes.

Indeed, free flow of information can advance rather than hinder the foreign policy goals which embargoes seek to accomplish. Accordingly, the Department endorses the underlying objectives of the Free Trade and Ideas Act. Nonetheless, like you, we believe the administration should retain the authority to control information flow for nonproliferation, antiterrorism, export control and other highly

compelling national security purposes.

We believe the objectives of your legislation can be achieved through regulation, although some statutory clarification of these matters may be useful. I propose the Department conduct on a committed basis an interagency review of our existing sanctions programs, policy and legislation to be sure they reflect our intent to dissemination of information and ideas.

We will consult closely with you and your staff during this review and in return I ask that you agree to withdraw this title from the bill when it comes before the full committee.

Mr. Chairman, the en bloc amendment does remove all the provi-

sions of that section from the bill.

I very much appreciate the administration's focusing its attention on how to make this critical balance. I think the Secretary expressed the balance just perfectly and it has always been my at-

tempt to achieve that balance in proposing these changes.

I am just trying to think if there are any other specific en bloc amendments that need special attention. I think what I would do at this point is yield back and since the list of amendments is before the Members, if they have any questions about them, I would be happy to answer them.

Chairman Hamilton. The Chair recognizes Ms. Snowe, the rank-

ing Member.

Ms. Snowe. I thank you, Mr. Chairman.

I support the en bloc amendment offered by the gentleman from California, Mr. Chairman. It is essentially noncontroversial. Most of the provisions are technical corrections, computation errors, et cetera. But in addition, the provisions the gentleman has men-tioned, it would improve the legislation and improve its chance for support by removing some of the more controversial issues that originally the draft bill contained. But otherwise, I would recommend wholeheartedly supporting this en bloc amendment.

Chairman HAMILTON. Is there further discussion of the amend-

ment?

Mr. Diaz-Balart.

Mr. DIAZ-BALART. Thank you, Mr. Chairman. I simply would like to commend the leadership of Chairman Berman and ranking Member Snowe, who did a very impressive job in subcommittee of trying to reconcile very difficult issues. I look forward to working with both of them, as well as with the administration and other Members of the subcommittee and the full committee, on any future negotiations on issues that we have been discussing so intently and intensely in recent weeks.

I obviously think that the en bloc amendment is a good com-

promise for now. So I would support it.

Thank you, Mr. Chairman.

Chairman HAMILTON. Is there further discussion? Mr. Manzullo.

Mr. MANZULLO. Thank you, Mr. Chairman. I would also like to commend the chairman for striking section 185, the performance of longshoremen work by alien crewmen. I think this will definitely keep, to the extent possible, down the price of loading and unloading the ships.

Mr. BERMAN. Will the gentleman yield on that point?

I should have made reference to the fact I was doing that in my discussion of the amendments. Our concern is that the State Department has misapplied the reciprocity provisions in a fashion that, in effect, prohibits American crewmen from unloading ships in American ports.

The countries that are shipping, are not allowing our men to unload there. True reciprocity is not being dealt with for a variety of reasons. At the request of the chairman, we are going to deal with the problems very specifically by working with the State Department rather than seeking a legislative solution.

Mr. MANZULLO. I yield back.

Chairman Hamilton. Mr. Edwards, did you have a comment?

Mr. EDWARDS. Thank you, Mr. Chairman. I wanted to thank Mr. Lantos and Mr. Berman and you, Mr. Chairman, for your cooperation in the modest amendments that I offered. I ask unanimous consent to include my full statement in the hearing record.

Chairman Hamilton. Without objection, it is so ordered.

[The prepared statement of Mr. Edwards appears in the appendix.]

Are there further comments on the en bloc amendments? If not, the question is on adoption of the amendment. All those in favor, say aye.

[A chorus of ayes.] Those opposed, no.

The ayes have it. The amendment is adopted.

The Chair now recognizes the gentleman from New York, Mr. Levy, for his amendment.

### LEVY AMENDMENT—CONDITION VOLUNTARY OR ASSESSED CONTRIBUTIONS TO U.N. ORGANIZATIONS

Mr. LEVY. Thank you, Mr. Chairman. This would be an amendment to section 103 of the bill. I believe a copy of the amendment is available for distribution.

Chairman Hamilton. The clerk will report the amendment.

Mr. FINLEY. Amendment by Mr. Levy, section 103(a), add: "The United States shall not make any voluntary or assessed . . ."

Chairman Hamilton. Without objection further reading will be dispensed with, it will be printed in the record in full and open for amendment.

[The amendment follows:]

### AMENDMENT OFFERED BY MR. LEVY

#### CONDITION VOLUNTARY OR ASSESSED CONTRIBUTIONS TO U.N. ORGANIZATIONS

To be offered to Section 103(a)

Add: "The United States shall not make any voluntary or assessed contribution-

(1) to any affiliated organization of the United Nations which grants full membership as a state to any organization or group that does not have the internationally

recognized attributes of statehood, or

(2) to the United Nations, if the United Nations grants full membership as a state in the United Nations to any organization or group that does not have the internationally recognized attributes of statehood, during any period in which such membership is effective.

Chairman Hamilton. Mr. Levy.

Mr. Levy. Mr. Chairman, section 103 of the bill is a section which authorizes the appropriation of American contributions to international operations. What the amendment would do, I think it is pretty clear-cut, would be to prohibit contributions to the United Nations or to any U.N. organization if the organization grants membership to an organization which is not internationally recognized as a state.

The amendment is merely a safeguard against U.N. consideration of possible membership of illegitimate states. The language

was included in public law 92-101, the Foreign Aid bill. The language I offer is consistent with the U.S. policy and I would ask my colleagues for their support of the language and for its immediate

Chairman HAMILTON. Is there further discussion?

Mr. Rohrbacher.

Mr. ROHRABACHER, I want to ask my colleague, would this in any way have an effect on Taiwan?

Mr. LEVY. I think not. It is not intended to.

Mr. ROHRABACHER. The intention of the author of this amendment is that it not affect Taiwan in any way.

Mr. LEVY. That is the intention.
Chairman HAMILTON. Is there further discussion?

Mr. Gilman.

Mr. GILMAN. I would like to ask the sponsor of the amendment if this will affect any contribution to any not-for-profit organization or nongovernmental organization?

Mr. LEVY. This is merely aimed at the United Nations and sub-

division organizations of the U.N.

Mr. GILMAN. What I am asking, would that effect any contribution to a nongovernment organization that is affiliated with the U.N.?

Mr. LEVY. It is not intended to do that; no.

Mr. GILMAN. Thank you.

Chairman HAMILTON. Any further discussion?

Ms. McKinney.

Ms. McKinney. Thank you, Mr. Chairman.

I would just like to know what organization or group falls under this characterization now?

Mr. LEVY. I think the Palestinian Liberation Organization would fall under this category.

Ms. McKinney. Thank you, Mr. Chairman.

Chairman HAMILTON. Mr. Berman.

Mr. BERMAN. Mr. Chairman, I think this is an appropriate provision to be on the authorization bill. It has been on appropriations bills in the past. This is the authorizing committee, this is legislation, and I support the gentleman's amendment.

Chairman HAMILTON. Is there further discussion? If not, the question occurs on the amendment.

All in favor of the amendment signify by saying aye.

[Chorus of ayes.] Those opposed, no. [Chorus of noes.]

The ayes have it. The amendment is adopted.

The Chair recognizes Mr. Bereuter for an amendment.

#### BEREUTER AMENDMENT—REFORMS IN FAO

Mr. BEREUTER. I thank you, Mr. Chairman. I have an amendment at the desk that I ask be circulated.

Chairman Hamilton. The Clerk will report the amendment.

Mr. BEREUTER. I ask it be considered as read.

Chairman HAMILTON. So ordered.

[The amendment follows:]

### AMENDMENT TO THE COMMITTEE PRINT OFFERED BY MR. BEREUTER

Page 85, after line 4, insert the following

### SEC. 191. REFORMS IN THE FOOD AND AGRICULTURE ORGANIZATION.

In the light of the longstanding efforts of the United States and the other major donor nations to reform the Food and Agriculture Organization and the findings of the ongoing investigation of the General Accounting Office, it is the sense of the Congress that-

(1) the United States should use the opportunity of the 1993 election of a new Director General of the Food and Agriculture Organization (FAO) to press for

long-needed organizational and management reforms; and

(2) it should be the policy of the United States to promote the following reforms in the Food and Agriculture Organization:

(A) Decentralization of the administrative structure of FAO, including eliminating redundant or unnecessary headquarters staff, increased responsibilities of regional offices, increased time for consideration of budget issues by member states, and a more meaningful and direct role for member states in the decisionmaking process.

(B) Reform of the FAO Council, including formation of an executive man-

agement committee to provide oversight of management.

(C) Limitation of the term of the Director General and the number of

terms which an individual may serve.
(D) Restructuring of the Technical Cooperation Program (TCP), including reducing the number of nonemergency projects funds through the TCP and establishing procedures to deploy TCP consultants, supplies, and equipment in a timely manner.

Chairman Hamilton. The Chair recognizes the gentleman from

Nebraska in support of his amendment.

Mr. BEREUTER. Mr. Chairman, this is sense of the Congress language that relates to the Food and Agriculture Organization, a component of the United Nations. I believe this amendment is a logical follow-on to the action of the committee from last year. The Members may remember last year the committee requested a GAO report on the FAO and in particular on FAO's Technical Cooperation Program (TCP).

That GAO report, which will be submitted in the next few weeks, has uncovered troubling evidence that would seem to have justified our initial concerns. It has found, for example, that the Technical Cooperation Program, which is specifically designed to respond to unforeseen circumstances and emergencies, that most of the projects simply are not emergencies. This in turn raises serious concerns about the process by which these projects are selected.

The United States has had long series of disagreements with the FAO, as have most of the major donor countries. Long after all other U.N. organizations were certified to be in compliance with the Kassebaum-Solomon Provision, we continued to withhold certification of FAO operated under budgetary transparencies. It was not until last year that it was so certified.

Major donor nations have viewed Director General Saouma as the leading impediment to organizational reform. We have had a long rocky set of relations with Mr. Saouma. Now, he is about to retire after multiple terms and a new director general will be se-

lected in November.

I think there is no better time for the developing countries and the developed nations to exert leverage. We contribute a quarter of the budget for this important U.N. organization. Other major donor nations who share our concerns contribute much of the remainder of the budget. Developing nations should be working together to ensure that the next director general is a strong leader and an effec-

tive manager.

We need to use this opportunity to elect a Director General that shares the basic values and interests of the donor nations. I am saying this without a candidate in mind, for it is my understanding the United States has no specific preference and does not expect to express a preference about the next director.

At a time when all outlays relating to foreign or international commitments are under careful scrutiny, we can not afford a Director General that mismanages the FAO. If another bad manager is selected, one who manages by threats and bullying or reported to be abusive toward women, I am confident that U.S. support for FAO will wane. It is far too important an agency for this to hap-

pen.

This alerts the State Department that the FAO merits special attention. I believe they are aware of that. I believe this will strengthen their hands in the upcoming weeks and months. We now have Assistant Secretary of State for International Organizations, Mr. Bennett, a highly distinguished individual, and he should be able to put considerable effort and energy into the FAO's election process and into the reform that will start before the election and follow after the election.

So this language will put the State Department on notice that we

are concerned.

Mr. Chairman, I would like if this amendment is adopted by my colleagues, to have some considerable role in the report language. Chairman HAMILTON. Is there any further discussion of the amendment?

Ms. SNOWE, Mr. Chairman.

Chairman Hamilton, Ms. Snowe.

Ms. SNOWE. Mr. Chairman, I just want to add my support to the

gentleman's sense of Congress amendment.

Mr. Bereuter has long been a congressional leader in seeking reform at the FAO. In fact, in the last State Department authorization the gentleman offered an amendment requiring the GAO study on the severe management and budgetary problems at the FAO. While the GAO has not yet issued its final report, as the gentleman indicated, it confirms the serious nature of the problems that exist with this organization.

The previous two administrations were pushing for the kind of reform called for in the gentleman's amendment. In fact, the FAO was the last agency at the United Nations to adopt a consensus-based budget which was required by the Kassebaum-Solomon amendment. It was the last U.N. agency we paid the assessment

for the budget.

They have refused to provide even basic information on budgetary expenditures. Problems of a bloated and excessively centralized bureaucracy continue. Fortunately, we have a real opportunity for turning around the FAO with the retirement of the existing Di-

rector-General.

I believe that this amendment will demonstrate our serious congressional concerns and at the same time strengthen the administration's hand in bringing a new Director-General who is committed to reform.

So I would urge adoption of this amendment.

Chairman Hamilton. The Chair also wants to commend the gentleman from Nebraska for his initiative and leadership here. We are most appreciative of that. He makes a constructive contribution.

Mr. Lantos.

Mr. Lantos. Mr. Chairman, as Chairman of the Subcommittee on International Organizations, I want to commend my good friend and colleague from Nebraska for taking this position. It is a long overdue measure and I strongly support it.

Chairman HAMILTON. Is there further discussion of the amend-

ment? If not, the question is on adoption of the amendment.

All those in favor say aye.

[Chorus of ayes.] Those opposed, no. [No response.]

The ayes have it. The amendment is adopted.

The Chair recognizes the gentleman from California, Mr. Lantos.

#### LANTOS AMENDMENT-U.S. CONSULATE IN ROMANIA

Mr. Lantos. Mr. Chairman, I have an amendment at the desk. Chairman Hamilton. The clerk will report the amendment.

Mr. FINLEY. At an appropriate place in the bill, add the follow-

ing: "Of the amounts authorized for-

Chairman Hamilton. Without objection, further reading of the amendment will be dispensed with, printed in the record in full, and open for amendment.

[The amendment follows:]

Amendment Offered by Mr. Lantos to the State Department Authorization Bill

#### ESTABLISHMENT OF A U.S. CONSULATE IN CLUJ, ROMANIA

At an appropriate place in the bill, add the following:

"Of the amounts authorized for diplomatic and consular programs in Section 101(a)(1), one million dollars is authorized to be available only for the established of a United States consulate in Cluj, Romania."

Chairman HAMILTON. Mr. Lantos is recognized in support of his amendment.

Mr. Lantos. Thank you, Mr. Chairman.

Mr. Chairman, for years I have attempted to see the establishment of a consulate or at least a U.S. Information Agency office in Pristina, the Albanian province of Kosovo. This was never adopted. It would be very much in the United States' interest if we would have a U.S. interests office or a consulate. My amendment calls for this in legislation.

The largest minority in Europe today is the Russian minority. The second largest minority is the Hungarian minority in Romania, two and a quarter million people. My amendment calls for the establishment of a U.S. consulate in Cluj, the center of the Hungar-

ian ethnic community in Romania.

There is a possibility, Mr. Chairman, that with the Secretary of State or with the head of the U.S. Information Agency, we will be able to get a commitment in short order that such an office will be

operative by Thanksgiving, in which case my legislation will be obviated.

However, short of that firm commitment, I think it is mandatory that we attempt to defuse an ethnically volatile area by establishment of a U.S. office, a consulate or information agency office.

This would enable two and a quarter million people to have access to American books, publications, lectures, occasional contact with American visitors. The funding for this would come out of the funding currently available to our diplomatic representation in Romania. It would entail no additional funding whatever. It would contribute, however, enormously to stabilizing this highly volatile region.

I want to thank the chairman of the Operations Subcommittee for supporting the legislation and my Republican colleagues who

may choose to speak on this subject themselves.

I yield back the balance of my time. Chairman HAMILTON. Mr. Berman.

Mr. BERMAN. Mr. Chairman, I do support the gentleman's amendment. I am sorry that I am in the position of having to support it because my preference would have been that discussions, informal discussions between the Members and the State Department would have dealt with this issue. It is very important as part of the process of giving enhanced flexibility that that process continue and that this issue be worked out.

We will face, in the other body, massive efforts to restrict the State Department's flexibility to deal with consulates and make the adjustments that scarce resources require to be made. Our only strength to maintain our position is to deal informally with the ex-

ecutive branch on issues like this.

In this case, the informed process broke down. So I will support the gentleman's amendment for now with the hope that long before we present a bill to the President this issue is dealt with in a fashion that does not require a specific legislative solution.

Chairman Hamilton. Mr. Payne.

Mr. PAYNE. Mr. Chairman, thank you. I, too, will support the amendment, but I want to make it clear that I am hearing reports of tremendous downsizing of our presence in African countries in order to deal with the new emerging democracies. Now you have as many emerging democracies on the continent of African as you

do in East Europe, probably three times as many.

I would concur with the gentleman that there needs to be a meeting with representatives from the administration with this committee to deal with this fact, that we don't need to rob from Peter to pay Paul, and I am very disturbed at the reduced resources that Africa is suffering from with the resources going to other areas. I don't want to pit one area against the other but this is not the way to deal with the new emerging democracies in Africa.

So I would support the gentleman's amendment, but I would ask that there be some sit down where we can come together and talk about the fact that we are dealing with an expanding world so far as our relationships on a diplomatic basis is concerned, but I don't want one area to suffer at the total expense of the other.

Mr. BERMAN. Will the gentleman yield?

Mr. PAYNE. Yes, I yield.

Mr. BERMAN. I would be very happy to followup on the gentle-

man's suggestions.

At an earlier meeting, Members were invited to discuss this whole question of downsizing and the chairman of the Africa Subcommittee raised very specifically and forcefully this question of downsizing in Africa. I am not quite sure what the final result of that was. I would be interested in learning, so if it is all right with the gentleman, we can set up a process where we learn more about

Mr. PAYNE, Thank you.

Chairman HAMILTON, Mr. Rohrabacher.

Mr. ROHRABACHER, Mr. Chairman, if I might ask my colleague, Mr. Lantos, is this money already allocated?

Mr. LANTOS. That is correct.

Mr. ROHRABACHER. Basically what we are doing is ensuring that money already allocated makes a human rights statement to Roma-

Mr. LANTOS. Absolutely.

Mr. ROHRABACHER. Mr. Chairman, I will be in support of this amendment. If we are going to spend this money, there is a human rights problem that we need to have an expression of.

I disagree with my colleague, Mr. Berman, however, I would say it is appropriate for the United States to make these statements publicly and it is appropriate for us to publicly tell the Romanian Government that we are appropriating this money specifically to make a human rights statement, that we think the Hungarian minority in Romania should indeed have equal rights to their fellow citizens. This is our way of saying that, while I support the amendment and note my disagreement there.

Mr. BERMAN. Will the gentleman yield?

Mr. ROHRABACHER. Yes, I would.

Mr. BERMAN. Even a better message would be sent if a consulate was opened in Cluj. That is the message I think that we should-

Mr. ROHRABACHER. Thank you. Mr. SMITH. Mr. Chairman.

Chairman Hamilton, Mr. Smith.

Mr. SMITH. Let me say that I support strongly Mr. Lantos' amendment, having worked for human rights and democratization in Romania almost as long, but never quite as long as Mr. Lantos has, he has been an absolute leader in that regard; and having joined him in efforts to protect Hungarians who have had their rights trashed on many, many occasions in Romania. The site of a consulate in Cluj is outstanding and it is a very valuable amend-

Chairman Hamilton. Is there further discussion on the amend-

ment?

If not, the question is on adoption of the amendment. All those in favor say aye.

[Chorus of ayes.] Those opposed, no. [No response.]

The ayes have it and the amendment is adopted. The Chair recognizes Mr. Smith of New Jersey.

#### SMITH AMENDMENT—ADHERENCE TO U.N. CHARTER

Mr. SMITH. I have an amendment at the desk.

Chairman Hamilton. The clerk will report the amendment. Mr. Finley. Page 85, after line 4, insert the following: Sense of

Congress regarding adherence to United Nations charter.

Chairman HAMILTON. Without objection, further reading of the amendment will be dispensed with, printed in the record, and open for amendment.

The amendment follows:

AMENDMENT TO THE COMMITTEE PRINT OFFERED BY MR. SMITH OF NEW JERSEY

Page 85, after line 4, insert the following:

SEC. 191. SENSE OF CONGRESS REGARDING ADHERENCE TO UNITED NATIONS CHARTER.

It is the sense of the Congress that—

(1) the President should seek an assurance from the Secretary General of the United Nations that the United Nations will comply with Article 100

of the United Nations Charter;
(2) neither the Secretary General of the United Nations nor his staff should seek or receive instructions from any government or from any other authority external to the United Nations; and
(3) the President should report to Congress when he receives such assurance from the Secretary General of the United Nations.

Chairman Hamilton. The Chair recognizes Mr. Smith.

Mr. SMITH. Thank you, Mr. Chairman. This amendment that I offer is a sense of Congress, but it sends a message to the United Nations. Just a few weeks back, Shen Tong-that very courageous leader of the Tiananmen Square Democracy Movement—requested to speak at the United Nations to make his position known at the U.N. and to foreign journalists concerning democracy or lack of it in the People's Republic of China, and to everyone's dismay Boutros Boutros-Ghali, Secretary General of the United Nations, barred him from making his presentation. It was in violation of United Nations guidelines, as noted in Article 100 of the United Nations Charter.

This is a very mild admonishing of the United Nations that they ought to allow free speech and not engage in prior restraint especially when somebody of such high caliber seeks and has the press

willing to accommodate him at the United Nations building.

I think we send the wrong signal. China did pressure the Secretary General not to allow him to speak. That was wrong. He ought not to have adhered to that pressure.

Chairman HAMILTON. Mr. Lantos.

Mr. LANTOS. Mr. Chairman, I want to support the amendment of my colleague from New Jersey in the strongest possible terms. I think it is unacceptable for the Secretary General of the United Nations to muzzle spokesmen for human rights on United Nations property. This will be an appropriate expression of the views of the American people.

Chairman HAMILTON. Any further discussion on the amendment

by Mr. Smith?

[No response.]

If not, the question is on the adoption of the amendment.

All those in favor, say aye.

[Chorus of aves.]

Those opposed, no. [No response.]

The ayes have it. The amendment is adopted.

The Chair recognizes Mr. Leach.

Mr. LEACH. Mr. Chairman, I just want to advise the committee that I have an amendment that is being drafted that I think I will reserve for the floor. I think it is one of these amendments that needs a legal vetting. I want people to think about it a little.

It is the equivalent of a "Promote and Protect America" amendment. While I fully agree with the ranking Member and the chairman of the subcommittee that the Department is overstaffed here at home, I am very concerned about the implications for consulates and embassies abroad in the current financial circumstances.

So what the amendment would do would be to authorize at the discretion of the administration up to 0.75 percent of our foreign aid allocation, excluding aid to Israel, for upgrading American consulates and embassies abroad. The precept is simple. We ought to support our own interests first and at this particular time upgrading our diplomatic representation abroad is of signal import to the national interests of the United States.

I raise this potential amendment as something I think the administration, which I have had a preliminary talk with, as well as the committee might want to seriously consider. I don't intend to press it at this time, but I would like the people that may be inter-

ested in this to consider it at the appropriate time.

Chairman HAMILTON. I commend the gentleman for his initiative. I will be glad to work with him on it. I think his objectives are sound. I am pleased to know the Department will give that consideration.

The Chair recognizes Mr. Gilman.

### GILMAN AMENDMENT—OFFICE OF THE COORDINATOR FOR COUNTERTERRORISM

Mr. GILMAN. Thank you, Mr. Chairman. I have an amendment at the desk.

Chairman Hamilton. The clerk will report the amendment.

Mr. FINLEY. Page 40, after line 6, insert the following, (e), Office

of the Coordinator for Counterterrorism. .

Chairman Hamilton. Without objection, the reading of the amendment will be dispensed with, printed in the record and open for amendment.

[The amendment follows:]

#### AMENDMENT TO THE COMMITTEE PRINT OFFERED BY MR. GILMAN

Page 40, after line 6, insert the following:

(e) OFFICE OF THE COORDINATOR FOR COUNTERTERRORISM.—Notwithstanding any other provision of this section, there shall be in the Department of State an Office of the Coordinator for Counterterrorism which shall be headed by a Coordinator for Counterterrorism. The office shall have the same responsibilities and functions as the Office of the Coordinator for Counterterrorism at the Department of State had as of January 20, 1993.

The CHAIRMAN. The Chair recognizes the gentleman from New York, Mr. Gilman, in support of his amendment.

Mr. GILMAN. Thank you, Mr. Chairman.

While the amendment is passed out, if I might discuss the amendment.

Management flexibility for our executive branch in running the State Department to face the new challenges of the post-cold war situation is a laudable and desirable goal in most instances. However, I understand we are increasing the number of assistant secretaries from 18 to 21 in this streamlining approach.

Regrettably, even in this new post-cold war era, the old scourge of terrorism is still with us and most recently we saw this horror right here on our own soil with the terrible and tragic terrorist bombing of the World Trade Center in our Nation's largest city.

In addition, the recent arrest by the FBI in St. Louis of several followers of terrorist Abu Nidal intent on attacking the Israeli Embassy in Washington and the reported plan by Iraqi terrorists in Kuwait to attack President Bush. The threat is real and even on our own soil against our own political leaders.

Under the present structure at State, counterterrorism is handled in a separate and independent office for fighting against this evil. In the past, it even included an ambassador-at-large for

Counterterrorism reporting directly to the Secretary.

This structure at State gave the counterterrorism program clout within the State Department bureaucracy in its own right including access to the Secretary as need be. But most importantly, it gave visibility overseas with foreign governments and essential access by high level U.S. officials in charge of our counterterrorism efforts to the foreign ministers who often need to be personally encouraged to cooperate with U.S. efforts to try to prevent terrorism both here and abroad.

The Secretary's proposed reorganization first unveiled in January of this year downgrades the post of counterterrorism to the coordinator to the deputy assistant secretary level in a new bureau responsible for narcotics, international crime, and counterterrorism. The very description of this new multiple issue bureau certainly makes it clear that this is a full plate for anyone familiar with the responsibilities of this office, particularly the international narcotics efforts

The fear and dangers of terrorism have not faded from the world scene today and this challenge does not deserve to be at the level of a deputy assistant secretary of state as the Secretary's reorga-

nization plan envisions.

Recent testimony before our Subcommittee on International Security made it abundantly clear that such efforts to streamline the State bureaucracy with regard to counterterrorism at least are seriously misguided. Former Ambassador-at-large for Counterterrorism, Paul Bremer, on March 12, 1993 stated and I quote, "I am disappointed, indeed dismayed, by the administration's decision to downgrade the bureaucratic level of the State Department's office for combating terrorism. Seems to me this will not only make interagency coordination more difficult and problematic in our Government, but will make us much less effective when we go to our allies or State sponsors to ask them for help. In my experience, other governments will not often be persuaded by importuning deputy assistant secretaries."

Mr. Chairman, many experts on international terrorism believe that the U.S. success in limiting the instances of terrorism on our own soil is a direct result of keeping the serious and deadly problem on the top of our national priorities and concerns and not burying it within the State Department's bureaucracy. Streamlining the bureaucracy is one thing, but the costs and potential threat of terrorism to our Nation and our citizens far outweigh the organizational moves no matter our well intentioned.

The New York Trade Tower bombing took six American lives, one of whom was one of my constituents. The bombing has cost this country more than half-a-billion in property and business disrup-

tion in our Nation's largest city.

These financial costs are nearly 40 times our Government's entire annual antiterrorism assistance budget. I ask my colleagues: can we afford to downgrade counterterrorism at State?

I doubt that very much.

I say we should move forward with much of the Secretary's proposed reorganization plan which is good. However, let us not give the green light to that which does not take into account the long-

term costs of downgrading our U.S. antiterrorism activities.

The New York Trade Tower bombing gives you some sense of the magnitude of the real costs of terrorism. So let us not send the very wrong message around the world at this critical time in our struggle against terrorism not only here in our country but around the globe. America's commitment against this crime against world order which some would use to effect the new post-cold war era in our relationship of the community of nations, we must deal with. State Department's reorganization plan for counterterrorism at least sends the wrong message at the very wrong time.

Mr. Chairman, I urge adoption of my amendment which would not only prevent that portion of the State Department's reorganization plan merging the counterterrorism function into the new Bureau of Narcotics and International Law, it will also maintain a separate office of the Coordinator for Counterterrorism as was the case in the past and needs to remain so in this uncertain time both

here and abroad.

Thank you, Mr. Chairman.

Chairman Hamilton. Mr. Berman.

Mr. BERMAN. Yes, Mr. Chairman, thank you. I regret having to oppose the gentleman's amendment but oppose it I do, and I oppose

it very strongly on several different grounds.

I have great respect for the gentleman's interest in this issue. He and I have spent much of the last 10 years working on issues involving terrorism and state-sponsored terrorism and what we can do about it. Anyone who thinks that there was something special about having a special office on terrorism at the same time we watched bilateral and economic issues so far surpass terrorism issues in terms of the last 4 years in foreign policy formulation, I think can understand very clearly that in and of itself each office or post has nothing to do with the priority given to it.

In fact it is part of that very issue that motivated this administration's change. You have a free-floating office out there that is an office on terrorism. I see in the audience some of the distinguished people who work in that office. They are great. But if they can't

work their way up into the political bureaus into the bilateral relationships that are formed through desk officers and regional bureaus through assistant secretaries and under secretaries and the Secretary, all they are is a free-floating and somewhat impotent

separate office.

The administration's reorganization proposal recognizes that, creates this under secretary position for global affairs for the very reason of making sure that terrorism considerations, human rights considerations, international narcotics considerations, international environmental considerations and nonproliferation issues get their hearing before the Secretary and do not yield and defer to the formulation of bilateral relationships.

While we had a separate office of terrorism, the United States took Iraq off the list of countries supporting terrorism at a time when Abu Nidal was based in Baghdad undertaking his state-supported terrorist acts throughout the Middle East and Europe. The same with Abu Ibriham. Having a separate office does not guarantee anything. In fact, to the contrary it prejudices the ability of that important issue to make its way through the process to the Secretary to play a key role.

I believe things would have been very different if there had been a different organizational structure, if an Iraqi desk officer had not been deciding U.S. policy but rather the issue of terrorism and non-proliferation had been taken up at high levels.

The administration's proposal allows that to happen. This is a direct assault on their effort to reorganize. From the executive branch we should hold them accountable for what happens and what antiterrorism policy is and counterterrorism policy is and let them organize this process in a fashion that deals with it.

I urge a no vote to the amendment. Mr. Chairman, I don't want

to know if you want to hear from the State Department.

Chairman HAMILTON. Are there further comments from the Members?

Ms. Snowe. Yes, Mr. Chairman. Chairman Hamilton. Ms. Snowe.

Ms. SNOWE. Thank you, Mr. Chairman. I respectfully disagree with the chairman of the subcommittee, Mr. Berman. I will speak in favor of Mr. Gilman's amendment and I recognize we are all trying to accomplish the goal of organizational flexibility and also trying to accommodate the administration's request for more management flexibility in terms of its reorganization within the Depart-

Obviously, we want to provide the administration with its ability to establish its own priorities, but on the other hand, we also have to be concerned about protecting our own interests. I think the gentleman from New York, Mr. Gilman, makes, I think, a very persuasive case as to why we need to maintain a separate office on counterterrorism with a separate coordinator.

The fact remains that terrorism is a very real and large issue and based on the most recent events of this year that have been enumerated, clearly will continue to be problematic for this country and a challenge worldwide. So I want to commend the gentleman because he makes a valid point when he says this is the wrong time sending the wrong message about the fact that we are in es-

sence downgrading this position and this office.

Make no mistake about it. We would be downgrading the position from Ambassadorial to deputy assistant secretary. So clearly the level of prominence given the individual within the office is going to change and certainly going to make a difference in terms of being able to influence the outcome of policy and remaining separate from other agencies, not to mention the fact that the very small office on counterterrorism will certainly be dwarfed by the larger Bureau on Narcotics.

So certainly those responsibilities and functions could get lost and will not receive the appropriate, necessary attention that I think should be associated with the issues of counterterrorism be-

cause it is now meshed with a larger bureaucratic structure.

In addition, the gentleman from California speaks to the issues that we are trying to address through the reorganization, but we have already made specific exemptions to the very issues we are

trying to accommodate for the administration.

We have done that with respect to the ACDA and requiring that the director be on the National Security Council; we just most recently adopted the amendment of the gentleman from California, Mr. Lantos, that will require the administration to establish a new consulate in Romania.

So the point is we have already made some changes to the very goal that we are trying to achieve for the administration and in some cases I think we ought to recognize where there are appropriate and legitimate exceptions to be made and I think the gen-

tleman from New York has made that case very well.

Chairman HAMILTON. Did the State Department want to comment on this amendment? Please identify yourself for the record.

Ms. SHERMAN. Thank you, Mr. Chairman, Mr. Gilman. I am Wendy Sherman, Assistant Secretary for Legislative Affairs for the State Department, and I thank you very much for allowing us to comment on this.

We absolutely share Mr. Gilman's concern about counterterrorism, about terrorism in the world. It is a very high priority for the Secretary, and that is exactly why he has requested that this change be made to create an office that would coordinate and combine all policy and program concerns about terrorism in

one place.

Prior to the reorganization plan, which is before you, counterterrorism was really a bureaucratic orphan that wandered around the State Department, much as Mr. Berman has described it, and really was not an effective tool to accomplish what you and Congresswoman Snowe spoke eloquently about. In fact, we not only was it a bureaucratic orphan, but the Office of Counterterrorism was under the control of the Under Secretary for Management, the antiterrorism training program was under diplomatic security, so we had bits and pieces of the terrorism effort all over the State Department.

What the Secretary has sought to do is not only consolidate both policy and program in one place but acknowledge its interaction with narcotics, with money laundering. Many times these issues go together and we are trying to in fact elevate, not diminish whatsoever, but elevate these concerns into one assistant secretary with a deputy assistant secretary addressing each of the issues. If you pass this bill, the new Under Secretary for Global Affairs, who at this point would become Tim Wirth, and is as you know, not a

shrinking violet when it comes to these issues.

I think that your concerns about there being a tremendous support for counterterrorism, it is probably one of the great national security threats in this new world order we do face, the Secretary agrees with that absolutely, and that is exactly why he has recommended this consolidation in one single assistant secretary to give this the high profile that is necessary.

Chairman Hamilton. Are there any further comments? If not, the question is on adoption of the amendment.

All in favor signify by saying aye.

[Chorus of ayes.] Those opposed, no. [Chorus of noes.]

In the opinion of the Chair, the noes have it.

Mr. GILMAN. Mr. Chairman, could we have a roll call on that?

Chairman HAMILTON. The Clerk will call the roll.

Mr. FINLEY. Mr. Hamilton. Chairman Hamilton, No. Mr. FINLEY. Mr. Gejdenson.

Mr. GEJDENSON, No.

Mr. FINLEY, Mr. Lantos.

Mr. LANTOS. No.

Mr. FINLEY. Mr. Torricelli.

[No response.]

Mr. FINLEY. Mr. Berman.

Mr. BERMAN. No.

Mr. FINLEY, Mr. Ackerman.

Mr. ACKERMAN. No.

Mr. FINLEY. Mr. Johnston. Mr. JOHNSTON. No.

Mr. FINLEY. Mr. Engel.

[No response.]

Mr. FINLEY. Mr. Faleomavaega.

[No response.]

Mr. FINLEY. Mr. Oberstar.

[No response.]

Mr. FINLEY. Mr. Schumer.

[No response.] Mr. FINLEY. Mr. Martinez.

[No response.]

Mr. FINLEY. Mr. Borski.

[No response.]

Mr. FINLEY. Mr. Payne. Mr. Payne. No.

Mr. FINLEY, Mr. Andrews.

Mr. Andrews, No.

Mr. FINLEY, Mr. Menendez.

[No response.]

Mr. FINLEY. Mr. Brown.

Mr. BROWN, No.

Mr. FINLEY. Ms. McKinney.

Ms. McKinney. No.

Mr. FINLEY. Ms. Cantwell.

Ms. CANTWELL. No.

Mr. FINLEY. Mr. Hastings.

Mr. Hastings. I vote just like Mr. Brown voted.

Mr. FINLEY. Mr. Fingerhut.

[No response.]

Mr. FINLEY. Mr. Deutsch.

Mr. DEUTSCH. No.

Mr. FINLEY. Mr. Wynn.

Mr. WYNN. No.

Mr. FINLEY. Mr. Edwards.

Mr. EDWARDS. No.

Mr. FINLEY. Mr. McCloskey.

Mr. McCloskey. No.

Mr. FINLEY. Mr. Sawyer.

Mr. SAWYER. No.

Mr. FINLEY. Mr. Gilman.

Mr. GILMAN. Aye.

Mr. FINLEY. Mr. Goodling.

[No response.]

Mr. FINLEY. Mr. Leach.

[No response.]

Mr. FINLEY. Mr. Roth.

Mr. ROTH. Aye.

Mr. FINLEY. Ms. Snowe. Ms. Snowe. Aye.

Mr. FINLEY. Mr. Hyde.

Mr. HYDE. Aye.

Mr. FINLEY. Mr. Bereuter.

[No response.] Mr. FINLEY, Mr. Smith.

Mr. Smith. Ave.

Mr. FINLEY. Mr. Burton.

Mr. BURTON. Aye.

Mr. FINLEY. Mrs. Meyers.

Mrs. MEYERS. Aye.

Mr. FINLEY. Mr. Gallegly.

[No response.]

Mr. FINLEY. Ms. Ros-Lehtinen.

Ms. Ros-Lehtinen. Aye.

Mr. FINLEY. Mr. Ballenger.

[No response.]

Mr. FINLEY. Mr. Rohrabacher.

Mr. ROHRABACHER. Aye. Mr. FINLEY. Mr. Levy.

Mr. LEVY. Aye.

Mr. FINLEY, Mr. Manzullo.

Mr. MANZULLO. Aye.

Mr. FINLEY. Mr. Diaz-Balart.

Mr. DIAZ-BALART. Yes. Mr. FINLEY. Mr. Royce.

Mr. ROYCE. Aye.

Mr. LEACH. Mr. Chairman, how am I recorded? Chairman Hamilton, Mr. Leach is not recorded.

Mr. LEACH. I vote aye.

Mr. MARTINEZ. Mr. Chairman, I am not recorded. I would like to be recorded no.

Chairman HAMILTON, Mr. Martinez votes no.

Any other votes? Mr. Torricelli?

Mr. TORRICELLI, No.

Chairman HAMILTON, Mr. Torricelli votes no.

The clerk will announce the vote.

Mr. FINLEY. On this vote there were 19 noes and 14 ayes. Chairman Hamilton. The amendment is not agreed to.

The Chair wants to state that so far as he knows there are two amendments pending to this title, one by Mr. Smith on population, the second by Mr. Roth with regard to the overall bill.

The Chair would like to finish these two amendments before we

break for lunch.

#### SMITH AMENDMENT—UNFPA IN CHINA

Mr. SMITH. I do have an amendment, Mr. Chairman.

Chairman HAMILTON, Mr. Smith.

Mr. SMITH. I have an amendment at the desk.

Chairman HAMILTON. The clerk will distribute the amendment by Mr. Smith.

Ms. BERGERE. Mr. Chairman, we don't have it.

Chairman Hamilton. Mr. Smith, they do not have the amend-

Mr. SMITH. There it is, they have it now.

Chairman HAMILTON. Let's have a copy to have it read.

Mr. FINLEY. Amendment by Mr. Smith of New Jersey, Page 12,

strike lines 18 through 22; Page 12, line 23, strike "of the."

Chairman Hamilton. Without objection, further reading of the amendment will be dispensed with, printed in the record, and open for amendment.

The Chair recognizes Mr. Smith in support of his amendment.

[The amendment follows:]

AMENDMENT TO THE COMMITTEE PRINT OFFERED BY MR. SMITH OF NEW JERSEY

Page 12, strike lines 18 through 22. Page 12, line 23, strike "Of the". Page 12, line 25, strike "\$13,784,500 is" and insert "are".

Mr. SMITH. Mr. Chairman, in his testimony before our committee on May 18, Secretary of State Warren Christopher blasted China's coercive population control programs saying he was quite appalled by what he read in The New York Times on April 25 and that he

found it, quote, "really very abhorrent."

Mr. Christopher suggested that the Clinton administration would seriously consider inclusion of the horrific practice of forced abortions as a human rights condition in its policy on renewing MFN status for the PRC. The Secretary said, and I quote: "I don't want to give an absolute commitment on this, but one of the matters we would consider is the human rights aspects of forced abortions and the policies that the Chinese are following."

Yet, despite repeated requests of the administration to include the exploitation of women by coercion by name in the executive order, Mr. Clinton chose to ignore this issue in what was otherwise a good executive order on conditions of renewal for MFN for China. Mr. Clinton missed a golden opportunity to defend innocent women and babies from barbaric attacks by the population Gestapo in Beijing.

In the long-standing unseemly link between the United Nations Population Fund, the UNFPA, and the Chinese Government officials who run the program, Mr. Christopher said that if the UNFPA left China it would, quote, "certainly simplify the matter."

I guess that is pragmatism at its best. Women are being victimized by the millions in the Republic of China and our Government is concerned about simplifying the matter. We should be outraged, Mr. Chairman, by the hand in glove relationship of the UNFPA and China.

Mr. Berman also spoke up by saying during that hearing and I quote, "The administration could make a major contribution by removing the imprimatur of the United Nations from this horrid Chinese policy by persuading them—UNFPA—to withdraw from China. It would be both a morally correct position and would certainly facility a level of unity on some of our other foreign policy goals."

And I certainly agree with that. There should no longer be any question, Mr. Chairman, whatsoever that China's one child policy was and is brutal and it is abhorrent, coercive and it is I think involuntary. The UNFPA, however, continues to defend China and to whitewash its crimes against humanity, saying it is a voluntary

program despite over 10 years of evidence to the contrary.

I would remind members of this committee just how valuable the UNFPA support is to the Chinese. Not only has the UNFPA provided a tremendous amount of technical advice and guidance to include over \$100 million in aid over the last decade but they also

provide a very useful cover for these kinds of crimes.

For example, after receiving a U.N. award for its population control efforts in 1983, which I would note parenthetically when the Chinese were engaged in a high tide, as they call it, rounding up women and forcibly aborting them, China's senior population official claimed the award has put the, quote, imprimatur of the world body on China's population control program.

I would submit that in light of the overwhelming evidence that systematic violations of fundamental human rights are continuing on a widespread basis, it would be a travesty if the U.S. Congress acted in a manner that appeared to put the imprimatur of the

United States on China's coercive and repulsive program.

In light of a clear recognition by Members on both sides of the abortion issue, that the Chinese Government is exploiting women and slaughtering children, the committee today considers language in the State Department authorization bill that is weak, ineffective, and an insult to anyone who strongly believes in protecting human rights.

First, the new policy envisioned in this bill establishes separate account for the U.S. contribution to UNFPA—a mere bookkeeping trick, a sham in my opinion—that absolutely trivializes the ongoing pervasive offenses and abuses against women committed by the

Chinese Government.

Secondly, the flawed language purports to reprimand the UNFPA for its China role by withholding some of the funds authorized. Let me make it clear that the \$50 million administration request is a purely arbitrary figure. Why not \$70 million instead of \$50 million? Then say we will cut that in half if the UNFPA doesn't get out of China. That will surely show them. That will send a message.

Frankly speaking, Mr. Chairman, the bill's approach may have some surface appeal but collapses under serious scrutiny. It is kind of like a retail store jacking up its price on an item only to seemingly slash the price during the big sale and, more importantly, Members should remember that if the draft language prevails, the UNFPA will go from zero funding this year because of its complicity in the Chinese program to over \$36 million in fiscal year 1994 regardless of whether or not they get out of China.

The cut from \$50 million to \$36 million, and change, has a cosmetic ring to it but it is further exposed for the sham that it is when you consider that the Appropriations Committee mark will appropriate approximately the same amount. This certainly begs the question as to how serious we are regarding coercion and how serious we are about getting the UNFPA out of China.

Thus, properly viewed, the language in the bill constitutes a major retreat, a surrender to the population control abusers who have whitewashed China's crimes for over a decade and afforded the Chinese, as Mr. Berman put it, the imprimatur of the U.N.

I would note that if this language is enacted in law the imprima-tur of the United States will also be on China's brutal one child program because we will have caved in. Our deeds certainly speak louder than our paper denunciations.

We will have said that while we pay lip service against coercion,

it really matters very, very little to us.

The draft language in the bill, Mr. Chairman, supplants longstanding human rights conditions on U.S. population policy enacted under Presidents Reagan and Bush that the United States will contribute only to those organizations that support or comanage truly

voluntary, noncoercive programs.

Continuously since 1985 the UNFPA has been found guilty, it has been found to have violated the Kemp/Kasten anticoercion law by supporting and comanaging China's brutal one child per couple

policy.

Finally, let me say that the goal of the Clinton administration is to resume funding for the UNFPA. Let's be frank about. The obstacle is the perception of not being sufficiently concerned with what the Chinese are doing to women and children. By providing funds to the UNFPA, regardless of whether or not they are supporting or comanaging China's inhumane policy, we are essentially accepting and supporting China's policy as well, paper denunciations notwithstanding.

The solution proposed today in the draft bill is a feel-good totally ineffective nuance policy that sells out the victims and plays ball with the abusers of human rights. Let me note that the amendment that I am offering today will not decrease overall U.S. family

planning assistance by one penny.

However, it is serious about the abuse of women and children in China, First, I strike the sham of segregated accounts. Since money is fungible, earmarking U.S. funds for UNFPA only permits the UNFPA to dedicate other donor resources to the exploitation of

women and children in China.

Second, the UNFPA should know that the United States is serious in asking that they leave China, the entire U.S. contribution to the UNFPA, not just a portion, on its withdrawal with China. This is especially important as I said earlier, because under the bill in its current form, the UNFPA has precious little incentive to break off contact, because even if they do, nothing about their shameful complicity in the Chinese program, they still get \$36 million plus U.S. taxpayers dollars, which is \$36 plus million more than they are getting in fiscal year 1993.

That is not a bad payoff for stonewalling on human rights. If this bill passes, Mr. Chairman, in its current form, those who exploit

women in China win big.

[The prepared statement of Mr. Smith appears in the appendix.]

Chairman HAMILTON. Mr. Berman.

Mr. BERMAN. Mr. Chairman, I will try not to let the anger I have at the gentleman's remarks show. The gentleman seeks to mock people who share his concern about Chinese forced abortion, co-

erced abortion, forced early labor policies.

He seeks to mock us by detracting from our efforts which the administration did not propose, which have been criticized by the advocates of funding for U.N. population planning measures taken to try and reflect his concerns and ours. Let me talk to you about serious efforts to try and deal with Chinese policy and UNFPA participation in that policy.

For 5 years, the Reagan and the Bush administration said, not a penny to UNFPA as long as UNFPA is in China. But in the governing council of the UNFPA on the U.N. development program, never once did the Reagan or Bush administration raise any issue

about UNFPA participation in China.

Why? Because they thought they wanted to keep relationships with China benign and on good terms and they didn't want to confront them with anything. What hypocrisy to argue about a suc-

Mr. SMITH. Will the gentleman yield?

Mr. BERMAN. I would like to finish my comments. What hypocrisy about the success which never got the UNFPA out of China, which never raised the issue with the governing council. I have here a transcript of the first meeting of the governing council since the new administration has come in.

For the first time, the United States has forcefully raised the issue of UNFPA participation in China. The Chinese Government

has already demonstrated, and it is all here in this transcript, its irritation with the United States doing this for the first time.

They never heard any of that. They didn't care whether the United States participated in UNFPA or not. You had an ineffective policy that didn't work that was combined with a hypocritical approach which never really raised the issue in the one forum that could do something about it. Now, we are making a serious attempt to try and demonstrate our anger with that, not only the administration through its efforts at the governing council of the UNFPA by raising forcefully this issue, but by us taking the administra-tion's request and dollar-for-dollar lowering it for every dollar they spend in China, \$50 million wasn't invented up in the air somewhere. It was what the administration proposed.

They didn't propose this language. We reduced this authorization by the amounts spent in China. So maybe you don't think that goes far enough, and maybe there is something else you would like to do, but don't mock a serious effort where we share an anger and an outrage at a particular policy which doesn't work when the policy that you have been pushing for 5 years hasn't done a thing and the administration that has been supporting that policy never even bothered to raise it.

I urge the gentleman's amendment to be defeated. The fact is that population is exploding in this world and the work of the UNFPA in almost every country is simply critical and should be supported. We should have nothing to do with the Chinese policy and we should do everything we can to get the UNFPA out of

This language in this bill seeks to maximize our ability to do both things and I think it deserves the committee support.

Chairman Hamilton. Mr. Hyde.

Mr. HYDE. Mr. Chairman, thank you and I yield to the gen-

tleman from New Jersey to respond briefly.

Mr. SMITH. Very briefly, the Reagan and Bush administrations raised it to the absolutely highest level imaginable, to the Secretary of State, to the Presidential level and made it very clear by matching their words with deeds and the deeds being with the withholding of those funds, and just because we do not get the fruit of a human rights policy, whether it be in South Africa or anywhere else in the world, when we take-when we embark upon an effort, or Romania, we still as matter of principle ought not to be implicit in an abusive situation.

Furthermore, the UNFPA and its rather extensive number of lobbyists and friends here in the Congress always felt that next year through a foreign aid bill or an appropriations bill, language could be crafted so that they would not have to get out of China.

So—and that is the situation we have here today. They get their money. \$36 plus million, and all they have to do is fold their arms and continue doing business as usual in the People's Republic of China.

Mr. BERMAN. Would you yield for one point? Mr. HYDE. I will yield to my friend, Mr. Berman.

Mr. BERMAN. Thank you. The last three UNFPA budgets, each of which had money for China, last three, all were approved by consensus of the governing council, which included the United States, without dissent by the United States, without protest by the Unit-

This is not what I call raising it at the highest levels.

Mr. HYDE. Mr. Chairman, I wonder if I might just have a couple

of additional minutes to say something.

Chairman Hamilton. Without objection, Mr. Hyde is recognized for an additional 2 minutes.

Mr. HYDE. Regardless of what is done or was not done by diplomats at the U.N. Governing council, this Congress has taken a stand in opposition to funding the UNFPA because the UNFPA is a militantly strong supporter of the People's Republic of China's coerced abortion policy.

Now, we all take great pride in supporting the heroes of Tiananmen Square. We just got through expressing our distemper that one of them was not permitted to address the U.N. We all remember vividly the young man standing in front of the tank and

our outrage at the abuses of human rights knew no limits.

But somehow or other, under the gentleman from California's procedure here, we are going to end up giving \$36 million to the UNFPA where heretofore they have gotten zero. That seems to me to be a victory for the UNFPA. That is not, as they say in Chinese,

chopped liver-\$36 million.

Now, that is hardly punishing them for their continued and the incredible support for a policy of coerced abortion. So any way you slice it, or however you want to sugarcoat it, you are coming up with some money, significant money for an agency that is in bed with one of the most antihuman rights policies imaginable, coerced abortion against the women of China.

So I would not say that is hypocritical because we are all such human rights advocates. I just say there is a blind spot somewhere when it comes to China when it comes to abortion and when it

comes to the U.N.

I congratulate the gentleman for his amendment and I certainly intend to support it.

Chairman HAMILTON. Mr. Torricelli.

Mr. TORRICELLI. Mr. Chairman, I only have respect for what Mr. Smith is attempting to do as I would with anyone who is pursuing a human rights issue and I know his motivation is sound and his purpose is good.

We are however, in the final analysis, a practical people that must face the harsh reality of our action. For the United States to continue to stand aside from international efforts to control population, in spite of all that is happening allegedly in China, that

would be the cruelest policy of all.

There is no amount of foreign aid this committee, this country, or the entire developed world will ever be able to muster, to deal with the untold suffering that is coming from the developing world if we do not begin to control population growth—100 million new people every year. African nations now have a total population that is three times the population of Europe and accelerating. India's

population is going to 1.25 billion people.

In the best economic scenarios in Latin America, the most successful countries, none can achieve the level of economic growth to maintain current, which are admittedly desperate, standards of living because of population growth. This isn't and should not be a vote about the philosophy or the ideology of abortion. This, in the final analysis, is a humanitarian vote about the ability to feed children, to provide a decent life in struggling countries, and finally, allowing the Third World to achieve levels of development.

In that fight, the United States simply in good conscience cannot stand aside. No one knows in the years of the Reagan and Bush

administrations how many millions of children brought into life suffered from disease and hunger and met an early death because the world didn't care enough about development in those countries.

This is a chance to take a stand. No one here holds any portfolio for the Chinese or the abuses they may hold and I have only respect for Mr. Smith in his speaking out against it, and I urge him

to continue to speak out against it.

But because of that, it would be unconscionable if we did not participate in international efforts to try to help countries which desperately have come to understand the need to control population, which have dealt with the conflicts within their own religions and culture, and at this late date, are finally willing to take a stand and a common purpose.

I urge the rejection of the amendment. I hope the committee can

stand together.

Mr. SMITH. Will my friend yield?

Mr. TORRICELLI. I would be happy to yield.
Mr. SMITH. I thank you for yielding. Let's not forget that this amendment does not reduce family planning by a nickel or a dime or even a penny. In previous years, when money has been withheld to the UNFPA it was reprogrammed to other NGO's and providers

of family planning provisions throughout the world.

What we have tried to do in the previous administrations is to say that the ends do not—the means—the ends do not justify the means, that coercive means are so intolerable, exploit women and destroy children through forced abortion, and involuntary steriliza-tion is an exploitation of women as well that we are not going to stand by when those kinds of crimes against humanity which this Congress on two separate occasions have condemned as crimes

against humanity, that we are not going to stand idly by.

It is a matter of those funds will go to other population control organizations. The flagship of population control organizations is unquestionably the UNFPA. If they are allowed to set the precedent and get away with it, that coercion matters little and we now join in and say it matters little to us despite, and I know that you are well meaning when you say you are against them as well, I know you mean it, but we need to match and marry our deeds with our words, and one of the only real tools that we have effectively is to link aid dollars.

And I would hope that this amendment would pass.

Chairman HAMILTON. Now, the Chair has Mr. Hastings, Mrs. Meyers, Ms. Snowe and Mr. Manzullo seeking recognition on this issue. I want to say to the committee that we have one other amendment after this that I think will be handled very quickly, so we will proceed.

Mr. Hastings.

Mr. HASTINGS. Thank you, Mr. Chairman. I will try to be extremely brief. Over the period of time that I've been here, I have heard the gentleman from New Jersey raise arguments that one can hardly disagree with with reference to human rights in China, and I have nothing but great respect for the work that he did in advance of my being here as well as his ongoing work.

However, I find myself in a position of opposing the amendment for the reason that I don't understand how withholding these funds

will change the policy complained of by the gentleman from New Jersey. Among other things, a number of international agencies insist in the implementation of UNFPA as a China program, in addition. United Nations agencies, a number of private organizations, including major Western universities or foundations and voluntary

organizations have family planning activities in China.

And while the gentleman from New Jersey sees UNFPA as the flagship, the fact of the matter is that the International Planned Parenthood Federation, whose member association in China-has a member association in China operating a grass roots network of volunteers involved in community outreach. Like the United Nations agencies, these private groups believe their presence can help promote volunteerism in the Chinese program, and that would be the ultimate objective.

My concern is not only for the same concerns as offered by the gentleman from New Jersey with reference to human rights violations, but carried to its logical conclusion, we wouldn't even speak to China because the fact of the matter is that there are children that are born that evidently the gentleman of New Jersey has little if any concern for. At least demonstrably, he has not indicated what he would do with the overpopulation, not only in China but

any other number of places.

Mr. SMITH. Will the gentleman yield on that point?

Mr. HASTINGS. Sure.

Mr. SMITH. Much of my work in Congress over the last 13 years has revolved around children's issues, child survival funding throughout the globe, in terms of immunizations or rehydration therapy and human rights, so I do have a demonstrated record of concern for those children after birth as well, so I would hope that you would amend your statement.

Mr. HASTINGS. Yes. I accept the gentleman's representation. You know more about your 13 years than I do, but the fact of the matter is that this seems to be specifically oriented in a manner that I can't come to grips with as to what we should be doing to assist China in coming to volunteerism as pertains to population control

as well as the rest of the world. Thank you, Mr. Chairman.

Chairman Hamilton, Mrs. Meyers.

Mrs. MEYERS. Mr. Chairman, I would oppose this amendment. It does seem to me as if the people who have worked on this section and Mr. Smith are all trying to accomplish the same thing.

We want to continue to assist those people who are trying to accomplish population control and stability in the world, and we are

also trying to stop the coercive and abusive efforts in China.

It is simply a different way of going about it. It seems to me that in the bill, the funds have been made available to UNFPA under substantial safeguards, and the bill specifically provides that of the funds that are authorized to be available, the \$14 million or \$13.7 million, the amount the UNFPA uses for programs in China for the next 2 years, will be removed from the bill unless the President certifies that the United Nations Population Fund has terminated all activities in the People's Republic of China.

It seems to me that this is not an appropriate amendment and

I will not support it.

Chairman HAMILTON. The Chair wants to simply let other Members know that a lot of Members are contacting me urging that we vote on this promptly. I don't want to shut anybody off, but a lot of appointments are being held up.

I do have two speakers listed, Ms. Snowe and Mr. Manzullo, and if it is agreeable to the Members of the committee, I would like to

vote after that.

Ms. Snowe.

Ms. SNOWE. Thank you, Mr. Chairman. I will be very brief and to the point. I oppose the amendment that has been offered by the

gentleman from New Jersey, Mr. Smith.

I respect his position. I share his abhorrence and condemnation of China's abusive population activities. But the fact of the matter is, we have to ask ourselves the question, is our previous policy working? It has not. We have not provided assistance to UNFPA which has had a demonstrated track record of voluntary family planning assistance, childhood and maternal care in more than 140 developing countries around the globe.

So what we in a sense have done since 1985 has abrogated our respect and leadership role in the world with respect to stabilizing the world population. I don't think anybody here disagrees with the premise that the world population—and the fact is that we can expect 1 billion people every 11 years to add to the 5.4 billion current

world population—that we indeed do have a serious problem.

So the best question is, how can we address on the one hand of maintaining or at least hopefully restoring our leadership position on world population issues but at the same time be effective in what the gentleman is trying to address with respect to China?

It should be said here that UNFPA, there has been no evidence that they have been actively involved in the management of China's coercive population activities. In fact, the UNFPA, like the United States, has a policy that does not support the use of funds for abortion activities. We do not support abortion as a matter of

family planning.

But what we have done in the meantime is relinquish our role and not provide the kind of family planning assistance that is necessary in the hundreds of developing countries that desperately need our assistance. So we have no voice at the UNFPA table in saying, yes, we would like to have you withdraw from China. Our previous strategy simply hasn't worked and I think we can all agree that it has not worked because they are still there.

So perhaps we should try another strategy and that is to be present at the table, because as the gentleman from California, Mr. Berman, said, we certainly have been silent as a member of the governing council up to this point. In fact, on three or four different occasions in this last decade we have approved the program in

China.

So the fact remains that we have to try something different, and I think in order to be a key player in trying to be persuasive with UNFPA in withdrawing from China, we should be sitting at the table.

So I would hope that we could oppose the amendment offered by the gentleman from New Jersey because I think the language that is contained in this legislation balances the two issues. It strongly opposes the coercive policies in China and at the same time we try to provide some leadership to the family planning programs around the world.

I think we can be more of a player, a greater voice on these issues, if we are sitting at the table trying to do what we think is right rather than totally abrogating our responsibilities, the responsibilities that we have rightly taken before but we have abrogated in the last 8 years.

Chairman Hamilton. Mr. Manzullo.

Mr. Manzullo. Thank you, Mr. Chairman. I would like to join my good friend and colleague, Mr. Smith of New Jersey, on his amendment in opposition to funding the UNFPA. And first I wish to commend you, Mr. Chairman, for trying to find a compromise on this extremely delicate and emotional issue, but I don't believe this compromise goes far enough.

Even the Secretary of State is appalled by China's practices. Creating a separate account for the U.S. contribution of the UNFPA only allows them to use money collected from other countries for

use in China. It is an accounting shell game.

We should not send one dime to an organization that not only condones what happens in China but praises their program. For example, in 1991, the executive director of the UNFPA, Dr. Sadik said that she, "was deeply impressed by China's efficiency." She wants to, and I quote, "employ some of these Chinese experts to work in other countries and popularize China's experiences in population growth control and family planning."

In that same interview she said that, "UNFPA is going to increase its free aid to China in order to help China solve its population problems and spread its experiences in working toward

world development and progress."

With that attitude, I don't think the United States should provide any aid to the UNFPA until first it totally separates itself from the well documented brutal Chinese family planning program

of coerced abortions, sterilization, and female infanticide.

Second, Dr. Sadik should resign as the executive director of the UNFPA. Under this bill, if the UNFPA continues to aid China, she would administer the remaining \$36.2 million U.S. contribution. That means the UNFPA can just move money from other countries to China. Dr. Sadik has not only praised China's program, she wants to duplicate it all over the world.

We cannot tolerate that kind of attitude. With this huge budget deficit, I would think the lowest Federal spending priority would be helping Communist China coerce women into having abortions. That not only represents a poor priority, it is antichoice in the true

sense of the word.

Hopefully this issue will resolve itself when, as rumor has it, the UNFPA clearly separates itself from China's family planning pro-

gram.

Mr. Chairman, the foreign aid package itself is going to have a very difficult time in the House. The people back home are in arms over aid going to Russia. They are in arms over the fact that aid will now be going to the UNFPA. That is complicated by the fact that there will be one vote on the normal State Department appro-

priations plus the foreign aid assistance into one package, not a

separate vote.

It is also to me incongruous that we can send aid to the UNFPA at the same time it is recognized that women seeking political asylum because of forced abortion practices can do exactly that as they come over on the boats from China. You know, Mr. Chairman, it is not politically correct or popular for freshmen to be a Member of the Foreign Affairs Committee because it is very difficult to explain to the folks back home exactly what we are doing in foreign affairs that impacts what is going on domestically. But, Mr. Chairman, I am a Member of this committee because I want to do whatever is humanly possible to try to bring about stability in a world that is in turmoil.

Mr. Boutros Boutros-Ghali himself said that we can see in our lifetimes 200 additional countries being created because of the break-up of large countries in this world. I would think at this point when the foreign aid bill faces rough sledding, that Mr.

Smith's amendment would be most appropriate.

Chairman Hamilton. To conclude debate, Mr. Rohrabacher.

Mr. ROHRABACHER. I will be very, very brief. During this debate we have heard the term, let's be practical people, and, now, I have been in Congress over 4 years now and every time people tell me to be practical, what they are really trying to do is convince me to do something that is wrong, and this is no exception to that rule.

This is not a humanitarian vote as it was characterized. This is—and it is not a vote on abortion. This is not an abortion vote, this is not a humanitarian vote; this is a human rights vote pure and simple. If there is no other human rights vote that we have in this

body, this is a human rights vote.

We are talking about forced abortion here. We are not talking about the abortion issue. We are talking about forced sterilization. We are talking about female infanticide. These are human rights

issues. These are not family planning issues.

And we have heard that we have to do something different and I will have to say I believe political characterizations of past administrations. Well, whatever the past administration policies were, we as individuals have to make a determination on a moral issue today, and trying something different than what past administrations did, what does that mean? Giving them \$36 million is like trying something different?

That something different is going to do nothing but encourage what we consider to be a gross violation of human rights, and I

very proudly stand with my colleague, Mr. Smith.

Chairman HAMILTON. The question is on the adoption of the amendment.

All those in favor signify by saying aye.

[Chorus of ayes.] Those opposed, no. [Chorus of noes.]

Mr. SMITH. On that I cask for a recorded vote. Chairman HAMILTON. The Clerk will call the roll.

Mr. FINLEY. Chairman Hamilton.

Chairman Hamilton. No. Mr. Finley. Mr. Gejdenson.

Mr. GEIDENSON, No.

Mr. FINLEY, Mr. Lantos.

[No response.]

Mr. FINLEY, Mr. Torricelli.

Mr. TORRICELLI, No.

Mr. FINLEY, Mr. Berman.

Mr. BERMAN. No.

Mr. FINLEY, Mr. Ackerman,

Mr. ACKERMAN. No.

Mr. FINLEY, Mr. Ackerman votes no.

Mr. Johnston.

Mr. JOHNSTON. No.

Mr. FINLEY, Mr. Engel.

[No response.]

Mr. FINLEY. Mr. Faleomavaega.

[No response.]

Mr. FINLEY. Mr. Oberstar.

[No response.]

Mr. FINLEY, Mr. Schumer.

Mr. SCHUMER. No.

Mr. FINLEY, Mr. Martinez.

Mr. MARTINEZ. No.

Mr. FINLEY. Mr. Borski.

[No response.]

Mr. FINLEY. Mr. Payne.

Mr. PAYNE. No.

Mr. FINLEY. Mr. Andrews.

Mr. ANDREWS. No.

Mr. FINLEY. Mr. Menendez.

[No response.]

Mr. FINLEY, Mr. Brown.

Mr. Brown, No.

Mr. FINLEY. Ms. McKinney.

Ms. McKinney. No.

Mr. FINLEY. Ms. Cantwell.

Ms. Cantwell. No.

Mr. FINLEY, Mr. Hastings.

Mr. HASTINGS, No.

Mr. FINLEY. Mr. Fingerhut.

Mr. FINGERHUT. No.

Mr. FINLEY. Mr. Deutsch.

Mr. DEUTSCH. No.

Mr. FINLEY. Mr. Wynn.

Mr. WYNN. No.

Mr. FINLEY. Mr. Edwards. Mr. EDWARDS. No.

Mr. FINLEY. Mr. McCloskey.

Mr. McCloskey. No.

Mr. FINLEY. Mr. Sawyer.

Mr. SAWYER. No. Mr. FINLEY. Mr. Gilman.

Mr. GILMAN. Ave.

The CLERK. Mr. Gilman votes no. Mr. Goodling.

[No response.]

Mr. FINLEY. Mr. Leach.

Mr. LEACH. No.

Mr. FINLEY. Mr. Roth.

Mr. ROTH. Aye.

Mr. FINLEY. Ms. Snow.

Ms. SNOWE. No.

Mr. FINLEY. Mr. Hyde.

Mr. HYDE. Ave.

Mr. FINLEY. Mr. Bereuter. Mr. BEREUTER. Present.

Mr. FINLEY. Mr. Smith of New Jersey.

Mr. SMITH. Aye.

Mr. FINLEY. Mr. Burton.

[No response.]

Mr. FINLEY. Mrs. Meyers.

Mrs. MEYERS. No.

Mr. FINLEY. Mr. Gallegly.

Mr. GALLEGLY. Aye.

Mr. FINLEY. Ms. Ros-Lehtinen.

Ms. Ros-Lehtinen. Aye. Mr. Finley. Mr. Ballenger.

Mr. BALLENGER. Aye.

Mr. FINLEY. Mr. Rohrabacher.

Mr. ROHRABACHER. Aye. Mr. FINLEY. Mr. Levy.

Mr. LEVY. Aye.

Mr. FINLEY, Mr. Manzullo.

Mr. MANZULLO, Ave.

Mr. FINLEY. Mr. Diaz-Balart.

Mr. DIAZ-BALART. Yes. Mr. FINLEY. Mr. Royce.

Mr. ROYCE. Aye.

Chairman Hamilton. The Clerk will announce the result of this vote.

Mr. FINLEY. On this vote, there were 24 nos, 11 ayes and one

present

Chairman HAMILTON. The amendment is not adopted. This is the final amendment on this title. Mr. Roth.

# ROTH AMENDMENT—REDUCTION OF STATE DEPARTMENT AND PERSONNEL AND BUDGET

Mr. ROTH. I thank you, Mr. Chairman. Mr. Chairman, I do feel we need a new way of doing business. The world corporations are all downsizing, world governments are all downsizing, and so I want to give the Members of this committee a chance to think anew and to act anew.

There is a vogue talking about a new paradigm, but we are still marching down the same old path. My amendment would override other provisions of law and require the President to cut the State

Department personnel and operating budget by 10 percent.

Under my amendment, the President is given a year until September 30, 1994 to make his reductions in personnel and spending. It is up to him how to accomplish these goals, and in today's world of State Department, is really over manned and over funded.

With today's telecommunications, heads of state talk to each other directly. You don't find John Major asking the Ambassador to come and see President Clinton. He picks up the phone and talks to him. You don't see an ambassador from Germany coming talking to Clinton. Why Helmut Kohl picks up the phone and talks to him.

Documents are sent by fax or by computer and all too often the State Department is, in my opinion, superfluous, and we need to show the American people that Congress is going to change the

way foreign affairs business is done.

One of our committee's goals is to increase our credibility in foreign policy. I agree with that. The first step must be to show the American people that we are reducing the taxpayers' money that

is being spent on a diplomatic system that is out of date.

Today there is no public support for the way foreign policy is carried out. The vast majority of people are opposed to foreign aid and no one supports an increase in the State Department. As it now stands, this bill is business as usual, but it is not what the American people want.

In today's world, our massive foreign affairs bureaucracy is just an obstacle many times to overcome in getting things done. Every President in modern times sets up a system to bypass the bureauc-

racy for anything that is being done.

Take a look at when Reagan told Marcos to not go through the State Department, went through a friend. When Clinton talks to Yeltsin, he does it directly. So let's cut back at 10 percent. That is, I think, a way things will move much more smoothly. You will have more agility and flexibility with fewer people and the American people will see that we are finally doing something that they are in agreement with.

We have too many people in the State Department. Ask yourself even today, it would embarrass everybody how many people are from the State Department right in this room. And, yes, our Government has gotten too big and our Government costs too much.

That is what every poll tells us.

That is what the American people are saying and I think we have an obligation to address this issue even as we address issues here before our committee, Mr. Chairman.

[The amendment follows:]

## AMENDMENT OFFERED BY MR. ROTH

Add a new section as follows:

SECTION —. REDUCTION OF STATE DEPARTMENT PERSONNEL AND BUDGET

Notwithstanding any other provision of law, no later than September 30, 1994, the President shall (a) reduce the number of employees of the Department of State by 10 percent from the number that were employed in such Department on the date of enactment of this section, and (b) reduce the expenditures for the operation of the Department of State so that expenditures for the operation of such department during Fiscal Year 1995 are 10 percent less than expenditures for the operation of such department during Fiscal Year 1993."

Chairman HAMILTON. Without objection, the amendment will be considered read and further reading of it will be dispensed with. The Chair will recognize Mr. Berman.

Mr. BERMAN. Yes, Mr. Chairman, I rise in strong opposition to the amendment. The bill before us, as Ms. Snowe and I have both pointed out, cuts \$22 million below this year's level from State sal-

ary and expenses for support.

It cuts \$11 million from diplomatic and consular affairs. It cuts \$14 million from FBO. I submit that if the authorization bill in this form goes through both houses and is signed by the President, it will be the most serious cut of any agency at the bureaucratic level that the Congress passes this particular year.

The gentleman's amendment cuts far too deep without looking at specific problems or needs. I would suggest we more carefully engineered cuts that we have passed that make more sense in this situ-

ation and I urge a defeat of the amendment.

Mr. ROTH. Will the gentleman yield? Mr. BERMAN. Be happy to yield.

Mr. ROTH. Will the gentleman tell us how much money we are spending, that is \$14 billion for a 2-year period? How much money are we spending this fiscal year on the Department of State and how many people are employed at the Department of State?

Mr. BERMAN. The gentleman mixes apples and oranges. The \$14

billion---

Mr. ROTH. If the gentleman will yield—I am sorry. Mr. BERMAN. I will throw out the apples and—

Mr. ROTH. The oranges.

Mr. Berman. Give me back the oranges. The \$7 billion is the entire bill. Part of that, about \$2.5 billion, is the State Department. There is also the USIA, also the Arms Control Disarmament Agency and parts of this is the Agency for International Development, and then there are programmatic accounts in this bill, refugee funding and others, National Endowment for Democracy, a lot of other funds.

So the fact is that this is a significant cut out of the State Department bureaucracy, the fastest growing of these bureaucracies,

and the \$7 billion is not from the State Department.

Mr. ROTH. How much are we spending on personnel at the State Department? How many people do we have employed in the State

Department?

Mr. BERMAN. The entire State Department bill is about \$2.5 billion, I think. About \$700 or \$800 million of that is spent on U.S. personnel both in Washington and abroad. That is how much is spent.

Mr. ROTH. Mr. Chairman, I have a serious question. If we are voting on a bill here, we don't even know how many people we have employed in the State Department or what we are spending, then

I think we are not-

Mr. BERMAN. If you give me a moment, I can get you absolute figures. But the irony is, you are raising this issue, we are making cuts for the time. We have put a cap on the number of State Department senior Foreign Service officers.

We are trying to put limits on these positions. We are moving in

the direction the gentleman is talking about.

Mr. ROTH. That is not the question, sir. The question I have is how many people are employed in the State Department and how much are we spending on personnel at the State Department.

I think that is the very least we have to know before we can vote on a bill like this.

Chairman HAMILTON, Mr. Brown.

Mr. BROWN. Mr. Chairman, will the gentleman, Mr. Roth, yield to a question? With the cuts that Mr. Berman is talking about, coupled with your 10 percent, will attrition yield those numbers in the next 18 or so months?

Do you know roughly the rate of turnover among Department of

State personnel?

Mr. ROTH. That is a good question. I can't answer that question for you, but I am assuming that when the President makes his recommendations to the Congress, which he has a year to do, that he will take that into consideration.

I think that attrition would go a long way to meeting that goal. Chairman HAMILTON. The question is on the adoption of the

amendment. All those in favor signify by saying aye.

[Chorus of aves.] Those opposed, no. [Chorus of noes.]

In the opinion of the Chair, the nos have it, the amendment is not adopted. Are there any further amendments to Title I? If not, the clerk will designate Title II.

Mr. VAN DUSEN. Title II, the United States-

Chairman Hamilton. Without objection, further reading of the title will be dispensed with. Are there any amendments to Title II? If not, the clerk will designate Title III.

Mr. VAN DUSEN. Title III, Arms Control and Disarmament

Agency-Chairman HAMILTON. Without objection, the title will be considered as read and further reading will be dispensed with. Are there any amendments to Title III?

Mr. Rohrabacher.

Mr. ROHRABACHER, Mr. Chairman, as we move forward in reorganizing our international broadcast system, I think it behooves us to remember that international broadcasting can also serve as a powerful tool in democratization in the era of new emerging democracies, and I will be very brief in just saying that while in Cambodia, I noted in the recent election that Voice of America at American broadcast facilities played an important role in that election, and as we move forward in new elections and new emerging democracies, our international broadcasting should seek to play an important role in providing information services to those new democratic countries in providing election information to their people during their initial election processes.

Thank you very much, Mr. Chairman.

Chairman Hamilton. I thank the gentleman for his comments. Without objection, we will close out consideration of part one, authorizing appropriations for the Department of State and for other

We will begin consideration of part two, the foreign assistance programs after lunch at 2:00 p.m.. We stand adjourned.

[Whereupon, at 12:50 p.m., the committee recessed for lunch to reconvene at 2 p.m., on the same day, Tuesday, June 8, 1993. That meeting appears in Foreign Assistance Legislation for Fiscal Year

1994 (Parts 1 and 8).]

Chairman Hamilton. The question now occurs on H.R. 2333, as amended, by the committee print. All those in favor signify by saying aye. Those opposed, no. The ayes have it. In the opinion of the Chair, the ayes have it. H.R. 2333, as amended, is agreed to.

Without objection, the staff can make technical and conforming

changes as necessitated by the amendments.

It would be the Chair's intention to file a report on this legislation on Friday. To meet that schedule, the Chair would request that any additional views on either part be submitted to the full committee no later than noon Friday.

I express my appreciation to all members of the committee for

their cooperation, and we stand adjourned.

[Whereupon, at 5:20 p.m., the committee was adjourned.]



## APPENDIX

Prepared Statement of Hon. Don Edwards, a Representative in Congress From the State of California

### STATE DEPARTMENT AUTHORIZATION AND EN BLOC AMENDMENT

The cold war ended nearly 4 years ago yet many of our attitudes towards foreign relations are steeped in that bygone era. We deliberate today in order to reorient outdated foreign policies to conform with new realities. I commend my good friend and colleague Howard Berman, our International Operations Subcommittee chairman, and Chairman Hamilton for their keen insight which is reflected in the State Department, USIA and Related Agencies Authorization Act.

This measure balances administrative flexibility with legislative oversight. It gives the President and Secretary of State the tools they need to promote peace and prosperity around the world while preserving the Congress' prerogatives as the coequal branch of government which represents the views of the American people.

Most important to my mind, this act and the en bloc amendment, offered by Chairman Berman on behalf of myself and Chairman Lantos, were crafted in the understanding that confidence-building is essential not only in our bilateral rela-

tions but to the conduct of all diplomacy.

In December of 1991, in the aftermath of the Persian Gulf War, the United Nations unanimously adopted General Assembly Resolution 46/36L which created the United Nations Register of Conventional Arms. Designed to minimize dangerous misperceptions that lead to regional instability, conflict and war, the nations of the world are asked to voluntarily report all major conventional arms exports and imports to the Register. The United States demonstrated its commitment to this system of openness or "transparency" by providing the pertinent date by the first reporting date, May 31, 1993. To date, more than 50 member states have complied.

The U.N.-based register encourages countries to build partnerships and cooperative security arrangements instead of arms stockpiles. By stating that the U.S. should not sell weapons to nations that do not participate in the Register without

good cause, America acts as a force for global peace and understanding.

Despite our position as the lone superpower, the United States still cannot act unilaterally to curb weapons proliferation. Recognizing this, again in the wake of Operation Desert Storm, the five permanent members of the United Nations Security Council initiated a productive series of talks aimed at limiting the flow of arms to the developing world. Unfortunately, these talks stalled in the wake of an announced major U.S. weapons sale. We ask that the President try to bring to the table once more the perm five to discuss how to stem the tragic flow of armaments to nations that should be investing in schools, roads and housing rather than guns, tanks and jet-fighters.

Too many times in our history have we been drawn into open conflict by misperceptions, not only between nations, but about our own activities. The American people deserve to know what role the United States plays in other regions with regard to militarization among other things. Transparency serves domestic as well

as diplomatic interests.

To secure the blessings of liberty in other countries which we take for granted here, conditions must exist abroad that allow the free exercise of speech, religion, press and assembly. In order to promote democracy, we must give those suffering the oppression of dictators the opportunity to build new societies from within. People long cut off from the international marketplace of ideas must be free to travel down new avenues of knowledge and history.

A vote in favor of this act and the en bloc amendment will be testimony to a belief in the strength of understanding over anger. I urge my colleagues to support both.

### THE PREPARED STATEMENT OF CHRISTOPHER H. SMITH, REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY

On May 18th, in testimony before our committee, Secretary of State Warren Christopher blasted China's coercive population control program saying he was "appalled" by what he read in the New York Times on April 25th and that he found

it, quote "really very abhorrent."

Mr. Christopher suggested that the Clinton administration would seriously consider inclusion of the horrific practice of forced abortions as a human rights condition in its policy on renewing MFN for the PRC. The Secretary said, "I don't want to give an absolute commitment on this—but one of the matters we would consider is the human rights aspects of forced abortions and the policies that the Chinese are following."

And yet despite repeated requests of the administration to include the exploitation of women by coercion by name, Mr. Clinton chose to ignore the issue in what was otherwise a good Executive Order on conditions for renewal of MFN for China. Mr.

Clinton missed a golden opportunity to defend innocent women and babies from barbaric attacks by the population Gestapo in Beijing.

On the longstanding unseemly link between the United Nations Population Fund (UNFPA) and the Chinese government officials who run the program, Mr. Christopher said if UNFPA left China it would "certainly simplify the matter." I guess that's pragmatism at its best. Women are being victimized by the millions and our government is concerned about simplifying the matter. We should be outraged over the hand in glove relationship of UNFPA and China.

Mr. Berman also spoke saying, "the administration could make a major contribution to removing the imprimatur of the United Nations from this horrid Chinese policy by persuading them-UNFPA to withdraw from China. It would be both I think

a morally correct position and it would certainly facilitate a level of unity on some of our other foreign policy goals . . ." I agree.

There should no longer be any question whatsoever that China's one child policy was and is brutal, abhorrent, coercive and involuntary. The UNFPA, however, continues to defend China and whitewash its crimes against humanity, saying it's a voluntary program despite over 10 years of evidence to the contrary.

I would remind Members just how valuable UNFPA support is to the Chinese. Not only has the UNFPA provided over \$100 million over the decade to support the program, the Chinese desperately need the "cover" inherent in UNFPA's support. For example, after receiving a U.N. award for its population control efforts in

1983, China's senior population official claimed that the award had put the "imprimatur of the world body" on China's population control program. I would submit that in light of the overwhelming evidence that systematic violations of fundamental human rights are continuing on a widespread basis, it would be a travesty if the U.S. Congress acted in a manner that appeared to put the "imprimatur" of the United States on China's coercive and repulsive program.

In light of a clear recognition by Members on both sides of the abortion issue that the Chinese government is exploiting women and slaughtering children, the Com-mittee today considers language in the State Department Authorization bill that is weak, ineffective and an insult to anyone who strongly believes in protecting human

rights.

First, the new policy envisioned by this bill establishes separate accounts for the U.S. contribution to UNFPA-a mere bookkeeping trick-a sham-that absolutely trivializes the ongoing pervasive offenses and abuses against women committed by

the Chinese government.

Secondly, the flawed language purports to reprimand the UNFPA for its China role by withholding some of the funds authorized. But the \$50 million Administration request is a purely arbitrary figure. Why not \$70 million instead of \$50 million? Then say we'll cut that in half if the UNFPA doesn't get out of China. That'll show'em. That'll send a message. Frankly speaking, the bill's approach may have surface appeal but collapses under serious scrutiny. It's kind of like a retail store jacking up its price on an item only to seemingly also he by price during the big sale. jacking up its price on an item only to seemingly slash the price during the big sale.

And, more importantly, Members should remember that if the draft language pre-

vails, the UNFPA will go from zero funding this year to over \$36 million in FY 94 regardless of whether or not they get out of China. The cut from \$50 million to \$36 million (and change) has a cosmetic ring to it but is further exposed for a sham when you consider that the Appropriations Committee mark will appropriate approximately the same amount. This certainly begs the question as to how serious we regard coercion and how serious we are about getting the UNFPA out of China.

Thus, properly viewed, this language in the State Appropriation bill constitutes a major retreat—a surrender to the population control abusers who have whitewashed China's crimes for over a decade and afforded the Chinese, as Mr. Berman put it, the imprimatur of the U.N. I note with sadness that if this language is enacted into law, the imprimatur of the U.S. will be on the Chinese brutal one child program because we will have caved in—our deeds speak louder than words and paper denunciations. We will have said that while we pay lip service against coercion, it really matters very, very little to us.

The draft language in the bill, Mr. Chairman, supplants longstanding human

The draft language in the bill, Mr. Chairman, supplants longstanding human rights conditions on U.S. population policy enacted under Presidents Reagan and Bush that the U.S. will contribute only to those organizations that support or comanage truly voluntary, noncoercive programs. Continuously since 1985 the UNFPA has been found guilty—it has been found to have violated the Kemp-Kasten anti-coercion law by supporting and comanaging China's brutal one child per couple

policy.

Finally, let me say that the goal of the Clinton administration is to resume funding for the UNFPA. The obstacle is the perception of not being sufficiently concerned with what the Chinese are doing to women and children. By providing funds to the UNFPA regardless of whether they are supporting or comanaging China's inhumane policy, we are essentially accepting and supporting China's policy as well, notwithstanding paper denunciations. The solution proposed today in the draft bill is a feel good, totally ineffective, nuanced policy that sells out the victims and plays ball with the abusers of human rights.

Let me note that the amendment I am offering today will not decrease overall U.S. family planning assistance by one penny. However, it is serious about the

abuse of women and children.

First, I strike the sham of segregated accounts. Since money is fungible, earmarking U.S. funds for UNFPA for anywhere but the PRC only permits the UNFPA to

dedicate other donor resources to the exploitation of women in China.

Second, the UNFPA should know that the U.S. is serious in asking that it leave China and my amendment conditions the entire U.S. contribution to the UNFPA—instead of just a portion—on its withdrawal from China. This is especially important, as I said earlier, because under the bill in its current form the UNFPA has precious little incentive to break off contact since even if they do nothing about their shameful complicity in the Chinese program, they still get 36 million U.S. taxpayer dollars—which is 36+ million more than they're getting in FY93. Not a bad payoff for stonewalling on human rights. If this bill passes in its current form, those who exploit women in China win big.











